

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

MOBILE TRADE FAIRS

PLEASE RETURN TO USDA LAW
LIBRARY, LEGISLATIVE REPORT-
ING, Rm. 117-E. Admin. Bldg.,
Wash., D.C. Ext. 4654.

U. S. DEPARTMENT OF AGRICULTURE
LAW LIBRARY
LEGISLATIVE REPORTING

HEARING

BEFORE THE

COMMITTEE ON COMMERCE

UNITED STATES SENATE

EIGHTY-SEVENTH CONGRESS

SECOND SESSION

ON

S. 3389

A BILL TO PROMOTE THE FOREIGN COMMERCE OF THE
UNITED STATES THROUGH THE USE OF
MOBILE TRADE FAIRS

JULY 23, 1962

Printed for the use of the Committee on Commerce



COMMITTEE ON COMMERCE

WARREN G. MAGNUSON, Washington, *Chairman*

JOHN O. PASTORE, Rhode Island
A. S. MIKE MONRONEY, Oklahoma
GEORGE A. SMATHERS, Florida
STROM THURMOND, South Carolina
FRANK J. LAUSCHE, Ohio
RALPH YARBOROUGH, Texas
CLAIR ENGLE, California
E. L. BARTLETT, Alaska
VANCE HARTKE, Indiana
GALE W. MCGEE, Wyoming

JOHN MARSHALL BUTLER, Maryland
NORRIS COTTON, New Hampshire
THRUSTON B. MORTON, Kentucky
HUGH SCOTT, Pennsylvania
KENNETH B. KEATING, New York
WINSTON L. PROUTY, Vermont

EDWARD JARRETT, *Chief Clerk*

JEREMIAH J. KENNEY, Jr., *Assistant Chief Clerk*

HAROLD I. BAYNTON, *Chief Counsel*

MORRIS J. LEVIN, *Staff Counsel*

CONTENTS

Statement of—

Atkins, Donald L., chairman of the board, Atkins & Merrill, Inc., Sudbury, Mass., accompanied by Mr. Dana M. Herbst-----	Page 24-26
Behrman, Jack N., Assistant Secretary of Commerce for International Affairs, Department of Commerce, Washington, D.C., accompanied by L. Edward Scriven, Director of Bureau of International Business, Department of Commerce-----	2-6
Betjemann, Christopher A., acting executive director, Mobile Trade Fairs, Inc., New York, N.Y., accompanied by Richard Kurrus, attorney, Washington, D.C.-----	6-17
Herbst, Dana M., president, American International Tradeships, Inc., New York, N.Y., accompanied by Donald L. Atkins, chairman of the board, Atkins & Merrill, Inc., Sudbury, Mass-----	18-24
Johnson, L. Farnum, Trade Ships, Inc., Falls Church, Va., accom- panied by Carroll Kester-----	30-39

Statement submitted by—

Javits, Hon. Jacob K., U.S. Senator from New York, Washington, D.C-----	42-43
Saltonstall, Hon. Leverett, U.S. Senator from Massachusetts, Wash- ington, D.C-----	43-44

Letters submitted by—

Abrams, M. R., Viewlex, Inc., dated July 18, 1962-----	45
Atkinson, H. J., Sudbury Laboratory, dated July 19, 1962-----	45
Barton, Roger W., Stephens-Adamson Manufacturing Co., dated July 11, 1962-----	45
Benhoff, Edward S., Hupp Corp., dated July 24, 1962-----	46
Berger, Jerome J., Jerome J. Berger Agency, Miami Beach, Fla., dated August 17, 1962-----	46-48
Bishar, J. J., ITT Export Corp., dated July 20, 1962-----	48
Bohlmann, H. H., the Seamless Rubber Co., dated July 17, 1962----	48-49
Bornhofen, A. M., Anets International, Inc., dated July 12, 1962----	49
Borrea, J. B., Briggs Manufacturing Co., dated July 10, 1962-----	49
Braun, Morris, W. Braun Co., dated July 13, 1962-----	49
Broadwell, Donald C., Bell & Gossett Co., dated July 18, 1962-----	50
Chew, Ralph H., A. E. Chew & Co., Inc., dated July 12, 1962-----	50
Clark, W. P., Wall Colmonoy Corp., dated July 16, 1962-----	50
Cline, E. A., Adelphi Paint & Color Works, Inc., dated July 2, 1962--	51
Derr, Gene, Aeroquip Corp., dated July 12, 1962-----	51-52
Downend, A. A., the Sanderson Cyclone Drill Co., dated July 17, 1962-----	52
Durand, J. D., Committee of American Steamship Lines, dated July 6, 1962-----	52
Duval, D. W., National Casting Co., July 17, 1962-----	52-53
Eid, John S., Oshkosh Motor Truck, Inc., dated July 17, 1962-----	53
Epstein, Jerry, General Bathroom Products Corp., dated July 3, 1962--	53-54
Erbland, R. M., A. O. Smith International S.A., dated July 19, 1962--	54
Feddema, Edward G., Arkon Products, Inc., dated July 12, 1962----	54
Fitzpatrick, F. M., Onan, Division of Studebaker Corp., dated July 26, 1962-----	54-55
Flegel, L. M., Hyster Co., dated July 13, 1962-----	55
Gray, Richard G., Zero-Max Industries, Inc., dated July 25, 1962----	55-56
Haddock, Hoyt S., AFL-CIO Maritime Committee, dated July 31, 1962-----	56
Hanson, C. C., Ajax Magnethermic Corp., dated July 16, 1962-----	56
Hoover, Henry M., American Biltrite Rubber Co., dated July 24, 1962--	57
Jaeger, Joseph A., Westinghouse Electric International Co., dated July 16, 1962-----	57

Letters submitted by—Continued	Page
James, Dave, Simpson Timber Co., dated July 13, 1962-----	57-58
Jones, S. F., Crescent Tool Co., dated July 18, 1962-----	58
Keating, J. E., Hale Fire Pump Co., dated July 20, 1962-----	58-59
Kohl, T. C., Sloan Valve Co., dated July 13, 1962-----	59
Kornblau, Charles, Plymouth Undergarment Co., dated July 10, 1962--	59
Kurnik, W. A., Anemostat Corp. of America, dated July 17, 1962----	59-60
Lebovitz, A. S., Clark Gasket Co., dated July 19, 1962-----	60
Malarney, James, the Henry G. Thompson & Son Co., dated July 20, 1962-----	60
Marks, Sutton, Gordon Marks & Co., Inc., dated July 23, 1962-----	60-61
McCardell, E. A., Winpower Manufacturing Co., dated July 2, 1962----	61
Miller, R. H., General Battery & Ceramic Corp., dated July 18, 1962--	61-62
Murphy, H. A., Graco Products, dated July 19, 1962-----	62
Nestler, John W., Mereury Printing Co., dated July 24, 1962-----	62
Neundorfer, R. G., Dunbars International, Inc., dated July 17, 1962--	62-63
Parrish, E. E., Keuffel & Esser Co., dated July 16, 1962-----	63-64
Perkins, Carl D., International Products & Manufacturing Co., dated July 11, 1962-----	64
Reuseh, Paul D., Congoleum-Nairn, Inc., dated July 10, 1962-----	64
Rowman, Jack A., Roeke International Corp., dated July 11, 1962----	65
Sellstrom, G. E., Sellstrom Manufacturing Co., dated July 2, 1962----	65-66
Schaeffer, A. Duffield, American Chewing Products Corp., dated July 13, 1962-----	66
Shapiro, Alvin, American Merehant Marine Institute, Inc., dated July 23, 1962-----	66-67
Shir, Sumner L., Benjamin Shir, Inc., dated July 17, 1962-----	67
Smith, Arthur, Universal Trading Co., dated July 13, 1962-----	67
Steinmetz, Gordon N., American Office Supply Exporters Association, dated July 19, 1962-----	67
Stern, Henry, Henry Stern & Co., Inc., dated July 17, 1962-----	68
Strike, Clifford S., F. H. McGraw & Co., dated July 12, 1962-----	68
Taft, Jay L., Eastern Stainless Steel Corp., dated July 13, 1962-----	68
Tiedemann, H. M., H. M. Tiedemann & Co., Inc., dated July 17, 1962--	69
Tipton, S. G., Air Transport Association, dated July 18, 1962-----	69
Tully, T. J., Tully International, Inc., dated July 16, 1962-----	69-70
Valle, R., Ramar Sales Agency, dated July 18, 1962-----	70
Vega, Raymond E., Eastern Products Corp., dated July 19, 1962----	70
Zievers, James F., Industrial Filer & Pump Manufacturing Co., dated July 13, 1962-----	70
Agency comments:	
Department of Agriculture, dated July 23, 1962-----	71
Department of State, dated July 20, 1962-----	71-72
Federal Maritime Commission, dated June 21, 1962-----	72
General Accounting Office, dated June 22, 1962-----	72-73

MOBILE TRADE FAIRS

MONDAY, JULY 23, 1962

U.S. SENATE,
COMMITTEE ON COMMERCE,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 5112, New Senate Office Building, Hon. Clair Engle presiding.

Senator ENGLE. The committee will be in order for the consideration of S. 3389, a bill to promote the foreign commerce of the United States through the use of mobile trade fairs.

There can no longer be any doubt but that the United States has failed in recent years to take full advantage of the foreign trade opportunities which are available around the globe. The present administration has pledged itself to stem the flow of gold from our shores, and has placed maximum emphasis on increasing our exports to achieve this aim.

In this committee's study of foreign trade during the last Congress, and in our hearings on S. 1729 last year, we heard a great deal of support for an export expansion program from the business community. One of the methods proposed and discussed concerned the use of mobile trade fairs. In fact, S. 1729 and Senate Joint Resolution 73, both before this committee, and both of which I cosponsored, looked toward the creation of floating trade fairs.

I introduced S. 3389, the bill before us today, because I felt that this would provide an important medium for exhibiting our products, but that the initiative must be taken by private enterprise and not by the Government.

The response the committee has received from business firms all over the United States has been gratifying. Their endorsement of a mobile trade fair program is obviously essential to its success.

Today we are fortunate to have as witnesses representatives of three different groups who are interested in providing a vehicle for such foreign exhibits. One company is already engaged in transporting mobile trade fairs as successor to the Isbrandtsen Co. which received an "E for Export" in recognition of its achievement in this field. We are, of course, interested in all proposals which may be useful to our exporters.

Before I call the first witness, may I get the record straightened out just a little bit. Without objection, a copy of the bill will be made of the record and the various departmental reports will be made a part of the record at this point.

NOTE.—Professional staff member assigned to this hearing: Morris J. Levin.

(The reports follow :)

[S. 3389, 87th Cong., 2d sess.]

A BILL To promote the foreign commerce of the United States through the use of mobile trade fairs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, in addition to his authority under any other Act, is hereby authorized and directed to encourage the development, organization, and use of mobile trade fairs designed to show and sell the products of United States business and agriculture, large and small, in foreign ports and commercial centers throughout the world.

SEC. 2. To effectuate the carrying out of the purposes of this Act, the Secretary of Commerce is authorized to provide to the operator or operators of such mobile trade fairs technical assistance and support as well as financial assistance for the purpose of defraying certain expenses incurred abroad, when the Secretary determines that such operations provide an economical and effective means of promoting export sales, provided that such assistance shall only be made available where the operator or operators of the mobile trade fairs exclusively use United States-flag vessels in the transportation of their exhibits.

SEC. 3. The Department of Commerce is authorized to expend for the purpose of this Act such so-called counterpart funds as may not be otherwise committed.

SEC. 4. For the purpose of devising a program of assistance to the operator or operators of mobile trade fairs, the Secretary of Commerce may use such interagency committees as may now be available to him, or he may create a Mobile Trade Fair Committee, but in either event the Small Business Administration shall be among the Government officials assisting in the development of said program.

Senator ENGLE. Our first witness today is Jack N. Behrman, Assistant Secretary of Commerce for International Affairs, who will give us the administration's views on this bill.

Mr. Behrman, we are glad to have you here.

STATEMENT OF JACK N. BEHRMAN, ASSISTANT SECRETARY OF COMMERCE FOR INTERNATIONAL AFFAIRS, ACCOMPANIED BY L. EDWARD SCRIVEN, DIRECTOR OF THE BUREAU OF INTERNATIONAL BUSINESS OPERATIONS

Mr. BEHRMAN. Thank you, Mr. Chairman. I have with me Mr. L. Edward Scriven, Director of the Bureau of International Business Operations, which has charge of the trade fair program of the Department.

It is a pleasure to testify before you today on S. 3389. This committee has always been interested in supporting the efforts of the Department in expanding exports and in ferretting out every possible technique which would do so.

This bill would authorize and direct the Secretary of Commerce to encourage the development, organization, and use of mobile trade fairs designed to show and sell the products of the United States in foreign ports and commercial centers.

This bill would further direct the Secretary to provide to the operators of such mobile trade fairs technical assistance and financial support to defray certain expenses incurred abroad.

The Department of Commerce favors the underlying objective of this bill, mainly to contribute to the promotion of our foreign commerce. We also favor the use of all practicable methods and facilities that may be used to display and exhibit the products and serv-

ices of U.S. industry and business in the interests of expanding our foreign markets.

Exhibiting at land-based trade fairs has long been recognized as an effective means to these ends. We are aware under some circumstances the use of ships or even other vehicles for mounting and mobile or traveling trade fairs may have demonstrable advantages.

As you know, Mr. Chairman, this Department has for some time been engaged in a program of joint Government-industry exhibits at established trade fairs in leading centers of trade and industry abroad. These have proven most effective both as trade promotion devices and as a means for furthering understanding, friendship, and respect abroad for the American enterprise system.

We recognize that soundly conceived and economically operated mobile trade exhibits could contribute to the same purpose, although as a matter of priority and in the interest of making the best possible use of our limited resources, in the past our experience and participation has been confined to the land-based exhibits.

We have indicated previously the fact that we feel there has been a priority on our limited resources that had been placed on land-based fairs. However, we are willing and eager to examine with you the possibility and the feasibility of the mobile trade fairs. We are not, however, in a position now out of experience to testify on the proper way of mounting such a program.

It has been brought to our attention by staff members of your committee that S. 3389 was drafted in contemplation of one particular plan of operation, sponsored by a group of several shipowners doing business as Mobile Trade Fairs, Inc. But the bill presumably intends that the authority for Government assistance could be used for other kinds of mobile trade fair enterprises, and we have ourselves received communications from several different projects.

While there may be some advantages to providing such authority in fairly broad terms as in the present bill, it is believed that the legislation should insofar as practical define the intended scope and nature of the Government's financial assistance to such enterprises in terms of their actual need and justification, their demonstrated effectiveness in the interest of trade promotion generally, and some proper relationship to the nature and extent of private investment involved.

It is our understanding your committee intends to receive testimony from various industry sources along these lines, so we can in fact make a more reasoned examination of the proposals.

We should be glad to give further consideration to this matter of such additional information as may be developed before your committee in the forthcoming hearings.

Thank you, Mr. Chairman.

Senator ENGLE. I observe, Mr. Secretary, that you say that it is believed that the legislation should, insofar as practicable, define the intent and scope and nature of the Government's financial assistance to such enterprises.

Mr. BEHRMAN. Yes, sir.

Senator ENGLE. Now that is, of course, an area where we would be interested in knowing what the Department thinks.

Mr. BEHRMAN. We have given some thought to this, Mr. Chairman; as I indicated our experience has not been in mobile trade fairs at all

and we are therefore not prepared to give detailed testimony on this until we hear from the testimony that you, yourself, will receive as to the proposals. But we do feel in general that the participation of the Government should be limited to the area of additional expense imposed on the trade fair project by exhibiting as a port.

For example, the handling of the cargo that would be taken from the ship to the land exhibit area, the rental of property which might be necessary to contain or to exhibit on, trucking to and from the site. We would not for example think it advisable for the Government to defray promotional costs of the companies that would be exhibiting in the fair, nor would we think it desirable that we take on the major costs of purchase of a ship, or let's say operation of a ship. But the actual out-of-pocket expenses in getting the exhibit itself from the ship to land or during the time it was on land, we would think that would be the area of proper Government participation.

There has been suggested, for example, Mr. Chairman, that the exhibits might be carried inland for some distance. We have found that inland fairs require a considerable amount of planning, programing, and probably participation, in an international exhibit such as we carry on generally. However, if it were found, as we know it has been in a few instances, desirable to go inland, we would think here that the counterpart funds would be most appropriately allocated to this type of project, where we have counterpart funds available.

Senator ENGLE. As you recall, when we started out we had in mind following the example of the Japanese. They have put trade ships into actual operation.

Mr. BEHRMAN. Yes, sir.

Senator ENGLE. And that gave us the idea that perhaps we could do the same thing.

I understand the Department does not favor that. We would have an initial cost of some \$5 million, I suppose, in getting the necessary ship. In the meantime, we noted the type of thing being done by the Isbrandtsen Co.

Mr. BEHRMAN. Yes, sir.

Senator ENGLE. Without any expense to the Government at all.

Now it seemed to me that we could give a little push behind private industry in that direction, and still not commit the Government too deeply from a financial standpoint; but to at least give the Secretary the authority to cooperate actively with these private outfits when they are putting on this particular type of trade show.

As I understand it, they would take these packets around and drop them off at one port, and then another ship would come by and pick up a packet and move it to another port.

Mr. BEHRMAN. That is our understanding.

Senator ENGLE. We will have some more testimony on that. I have not had in mind any large expenditures by the Department of Commerce in this field, but rather the utilization of personnel and facilities we already have.

It seems to me that we ought to make the legislation itself flexible enough so that the Secretary would have the authority within guidelines laid down in the bill, and in the report, to give assistance in that way rather than in the legislation.

That is why I read this sentence in which it says it is believed the legislation should define the intended scope and nature of the Government's financial assistance.

Now perhaps we can put some limitations on it in the bill.

Mr. BEHRMAN. I think some limitations would be desirable, Senator, in view of the fact that if they are not, the pressure would be put on the Department to carry out open-end operations within quite limited appropriated funds, and it would be very difficult to allocate among the competing projects on that basis.

Whether it were done in the bill or in the report, or some other fashion, so it was clear what the limited use of the funds would be, I cannot speak to that. That would be a question of proper legislative drafting.

Senator ENGLE. If you limit the money, then you don't have to define so carefully what is going to be done, because if the limitation is strict enough, it is a cinch they won't be able to buy or operate a ship.

Mr. BEHRMAN. That is very likely true, sir.

Senator ENGLE. In that way you would be able to limit yourself to certain types of things that can be done where the Government can be helpful. For instance, in placing these exhibits on the wharf, in making the best utilization of them, and if the Department of Commerce has some people in that particular area, sometimes they can help out.

Mr. BEHRMAN. Yes, sir.

Senator ENGLE. In just handling the mechanics of the situation.

As I understand it, the way this program has operated up to the present time, they haven't asked anything of anybody. They got the packet off the ship, set it up themselves, and I guess they had somebody on guard watching it.

Mr. BEHRMAN. A remarkable project; yes, sir.

Senator ENGLE. It is a very great one. And the President of the United States gave Isbrandtsen an E award because of this particular effort.

I don't want to get the Government in it and stop their effort or inhibit it. What I want to do is give impetus to it, to help them with better information if we can.

Now perhaps as we go along here and get these witnesses on, we can find out in a little more detail what ways we can help in giving technical aid and that sort of thing, perhaps information aid, and, in a modest way, if anything unusual comes up, in helping them out financially. But I didn't intend this bill to be a major financial commitment by the Federal Government in this area.

Mr. BEHRMAN. We would be glad to work with you.

Senator ENGLE. In some instances we could use counterpart funds; could we not?

Mr. BEHRMAN. Yes, sir.

Senator ENGLE. Do you know what the countries are where that would be available?

Mr. BEHRMAN. There are about nine currencies which the Treasury Department has indicated are in excess of the normal requirements. They are the Burmese kyats, Indian rupees, Israeli pounds, Pakistan rupees, Polish zlotys, Egyptian pounds, Yugoslav dinars, Indonesian rupiahs, and Syrian pounds. These are the local currency counterpart funds which would be available.

Senator ENGLE. I understood, Mr. Secretary, you wanted to leave to go to another committee?

Mr. BEHRMAN. I have another hearing, yes, sir; going on immediately.

Senator ENGLE. This is a great problem. I have another committee in progress at the present time too. Being in two places at once causes some difficulty. So if you want to go ahead, you go, and we will rely upon someone else to be available to answer the questions or at least to monitor this testimony, because after we get through it we may want to go back over this again with the Department of Commerce to see whether or not we have a clear meeting of the minds on what we are talking about, and whether or not we have clearly defined what we are trying to do.

I think if we are careful about it, we have a piece of legislation here that will not inject the Federal Government into a major program, and will not disturb the people who are now doing it on their own. I applaud that. But it will give in selected areas types of assistance which the Government can provide at a minimum cost to the Government, and a minimum amount of effort for the kind of thing that we think is very necessary in the promotion of American overseas business.

Mr. BEHRMAN. Sir, we appreciate that.

Senator ENGLE. We thank you very much for being here.

Mr. BEHRMAN. Thank you, sir.

Senator ENGLE. Mr. Scriven, could you answer one question, please?

Mr. LEVIN. When the Secretary mentioned at the beginning the amount that could be spent overseas, he referred to unloading exhibits such as Mobile Trade Fair, Inc., exhibits from ship to port. In a case where private enterprise would send out an entire trade ship, which would not necessitate any unloading, I would imagine the type of cost overseas that would be suggested that the Department pick up would be such things as portage or dockage, bringing in utilities, things of that sort? Would that be about your idea also?

Mr. SCRIVEN. These are the sort of incidental costs at the scene of the exhibit that I think should be anticipated.

Mr. LEVIN. I didn't want to leave it just as unloading, because some of these items don't include any unloading, they include the idea of leaving the ship at the dock.

Mr. SCRIVEN. That is correct.

Senator ENGLE. Thank you very much. You will be on hand, will you?

Mr. SCRIVEN. Yes; I will be here.

Senator ENGLE. Mr. Christopher A. Betjemann, acting executive director, Mobile Trade Fairs, Inc., New York, accompanied by Richard Kurrus, acting general counsel.

I understand, Mr. Betjamann, you are also a vice president of Isbrandtsen, is that correct?

Mr. BETJEMANN. That is correct, sir.

Senator ENGLE. You have a prepared statement, I observe, which you may either read or have placed in the record as if read, and extemporize. Which would you prefer?

Mr. BETJEMANN. If you have no objection, I would like to read it and then answer any questions, if it wouldn't take too much time.

Senator ENGLE. Very well.

**STATEMENT OF CHRISTOPHER A. BETJEMANN, ACTING EXECUTIVE
DIRECTOR, MOBILE TRADE FAIRS, INC., NEW YORK, N.Y., ACCOM-
PANIED BY RICHARD KURRUS, ACTING GENERAL COUNSEL**

Mr. BETJEMANN. My name is Christopher H. Betjemann, of Harborton, N.J. I am employed as vice president of Isbrandtsen Co., Inc., as well as acting director of Mobile Trade Fairs, Inc., a nonprofit organization for the promotion of American foreign trade. I am appearing here today in support of bill S. 3389. Appearing with me is Mr. Richard W. Kurrus, acting general counsel of Mobile Trade Fairs, Inc.

The Mobile Trade Fair concept of displaying American-made products abroad by an American-flag steamship company was originated by Isbrandtsen Co., Inc., in 1960, and the plan was carried forward by Isbrandtsen entirely at its own expense with extremely beneficial results to the participants. It was the belief of Isbrandtsen that, in order to increase the exportation and sales of American-made products abroad, American firms, especially small businesses, must be afforded the opportunity to exhibit their products in foreign markets and to conduct realistic sales promotion programs.

In order to carry the Mobile Trade Fair concept forward, Isbrandtsen designed and constructed at their own expense large aluminum containers which were 20 feet long, 8 feet high and 8 feet wide. Both of the 20-foot sides were hinged at the top so that they could be raised to a flat, horizontal position. Within the container, provision was made for eight displays, four on each side. By transporting eight such containers on one of their regular sailings, the displays of 64 manufacturers within a particular industry could be accommodated. No charge was made for the service since Isbrandtsen absorbed cost of loading, discharging, transportation, advertising, guarding service, etc. Isbrandtsen Co. carried forward four separate contingents, featuring automotive parts and accessories, household appliances, building materials, and finally, industrial machinery.

Prior to the announced arrival of these containers at the foreign port, the steamship company agent, working in close harmony with the American embassy or consulate, and authorities of the local government, arranged for a proper site for the Mobile Trade Fair, necessary publicity, and personal invitations to the business people of the community. Usually, the first day of showing was reserved for the businessmen, after which the Mobile Trade Fair was thrown open to the general public. The Mobile Trade Fair remained at the site for approximately 10 days, after which it was returned to dockside for loading aboard the next arriving Isbrandtsen vessel for shipment to the next port of call.

I do not believe that either Isbrandtsen nor any of the manufacturers was prepared for the rapid results achieved by the mobile trade fair. In many many instances manufacturers voluntarily advised that they had successfully established representation in foreign countries. Of greater importance, many manufacturers advised that they had immediately commenced a worthwhile business in these markets. Copies of these letters are available to the committee.

In view of the competition prevailing in world markets, the unfavorable balance-of-payments situation, as well as the importance

of maintaining America's position abroad, the mobile trade fair concept therefore appears to be an extremely effective but inexpensive method of stimulating exports from the United States. Isbrandtsen Co., Inc., therefore felt that mobile trade fairs should not be limited solely to the trade route it served, but should be extended to other trade routes as well, so that a manufacturer's exhibit could be shown in most of the marketplaces of the world with, we hope, equally successful results.

For this reason, then, Mobile Trade Fairs, Inc., was established as a nonprofit organization whose sole purpose is the expansion of America's foreign trade. Accordingly, Mobile Trade Fairs, Inc., sought and secured the support of three additional American-flag steamship companies; namely, American Export Lines, Farrell, and Grace Lines. These three companies, with Isbrandtsen, would assure a manufacturer's exhibit being shown at approximately 57 foreign ports, covering ports in Europe, the Mediterranean, South and Central America, Africa, and the Far East. It is hoped that other American-flag steamship companies will also join the program and increase the port coverage. Since our foreign commerce is of vital importance to many other parts of our economy, we considered it desirable to include other nontransportation companies as sponsors of the project. Two banks, namely, Irving Trust Co. and the Bank of America, have agreed to waive the customary letter of credit fees on any business consummated through the mobile trade fair within 60 days after showing in a foreign port. The Insurance Co. of North America has agreed to provide, at nominal cost, all-risk marine insurance on each participating manufacturer's exhibit. Mobile Trade Fairs, Inc., is also seeking the support of freight forwarding associations to have their membership waive their usual documentary charges on any new business generated through the mobile trade fair.

It had been hoped that the telegraph/cable companies could place a machine on the site of the mobile trade fair at each foreign port and provide a free message from an interested merchant to a manufacturer, as well as a free reply, but I am told that complications with the FCC and foreign governments may preclude their participation on this basis.

We are also in negotiation with the city of New York for a free waterfront property which will serve not only as headquarters for the nonprofit organization, but also as a marshaling area where the exhibits would be received from the manufacturers and installed into the containers. This property would also be used to hold the preview where manufacturers could see their exhibits prior to shipment overseas. This preview would also serve as a means of having the sponsors of Mobile Trade Fairs, Inc., meet the important executives of the manufacturing companies on an informal basis.

Under the broadened scope of mobile trade fairs it is anticipated that a new segment of industry would be featured each month, and that sufficient interest would be generated to feature the exhibits of 80 manufacturers. This would then mean that over a period of 1 year, 960 manufacturers would be accommodated; over a period of 3 years, 2,880 manufacturers. Considering that each of these exhibits will be shown at about 57 ports with the possibility that other American steamship companies will also joint, thus expanding the coverage,

it can readily be seen that the products of the United States will be continually exposed to these foreign markets.

It will be noted from the foregoing that American private industry and local governments are willing to band together in a precedent-setting nonprofit venture to stimulate American's foreign trade, thus improving our country's position abroad. However, one additional partner is necessary—the U.S. Government. It can be accurately estimated that the expense of showing a contingent in a foreign port will average about \$1,500 per port. This expenses is too great for the steamship companies to bear, considering their already heavy contribution in loading, transporting, and discharging the mobile trade fair. On the other hand, if this expense is passed on to the manufacturer, the added cost will deter many, especially small companies, from participating. It is therefore hoped that the U.S. Government will provide these funds, without limitation as to origin, in order that the program may commence immediately on a worldwide basis.

With an average expenditure of \$1,500 per foreign port, and with 57 foreign ports on the itinerary of the 4 lines presently participating, the cost of sending 1 contingent around the world would total \$85,500; 12 contingents, \$1,026,000. Since 36 contingents are contemplated for shipment over the next 3 years, this would require \$3,078,000 to cover expenses for showing in foreign ports. However, in view of the fact that approximately 3 years would be required to send one contingent to each port, the average cost to the U.S. Government per year would be \$500,000.

It should be pointed out that the requirements mentioned above, while covering port expenses, do not provide for inland transportation to interior cities, which oftentimes are more important commercial centers. The value of such showing has been demonstrated in both Taiwan and Korea, where mobile trade fairs have been easily transported by both rail and truck to Taipei and Seoul, respectively. Since transportation costs vary tremendously, it would be impossible at this time to estimate accurately the funds required for this purpose in the various countries. However, it is respectfully requested that consideration be given to the establishment of a contingency fund of \$100,000 per year to cover such inland transportation where required.

It would be well to point out one other aspect having a vital effect on the American merchant marine and its future. It has been demonstrated time and again that where Isbrandtsen assisted manufacturers in establishing markets abroad, these manufacturers have reciprocated by confining their shipments, wherever possible, to Isbrandtsen vessels. I cannot help but feel that the broadened program would have the same salutary effect on any American steamship company joining in the program.

I should like to emphasize that the program which Mobile Trade Fairs, Inc., has adopted for the expansion of U.S. exports is merely a small part of our overall foreign trade program. We feel that American-flag steamship companies should be an integral part of this program. There is no intention that our program would be competitive with any other efforts of the Government or by other private persons in the international trade fair or export promotion field. The program of mobile trade fairs can supplement the other programs. Certainly the importance of foreign trade is critical to our economy, and any efforts in this direction will be helpful.

There are certain inherent advantages which the mobile trade fair program that we envisage might have over certain other programs, namely:

(1) The cost would be comparatively small to the Government and to the exhibitor. The steamship companies and other participating companies in Mobile Trade Fairs, Inc., would be providing transportation and services at no cost to the exhibitors.

(2) Exhibition locations are unlimited, and eventually almost every major port and commercial center of the free world could be covered by these exhibits.

(3) Since hundreds of American-flag vessels, serving many different trades and ports in the foreign commerce of the United States would participate, the mobile trade fair would have the utmost flexibility.

The type of assistance which Mobile Trade Fairs, Inc., would desire from the Government is limited. It would include the following:

(1) Facilitating entrance and clearance at foreign ports;

(2) Public relations and local advertising assistance abroad;

(3) Arranging for exhibit space in foreign ports or commercial centers; and

(4) Financial assistance in foreign ports and for moving the exhibits overland between the port of discharge and other commercial centers of the foreign country.

With respect to the specific language of S. 3389, I would suggest that section 3 of the bill be clarified to make it plain that the use of counterpart funds would be in addition to such other appropriations that the Secretary of Commerce might obtain for this purpose. Actually, counterpart funds are rather limited in their availability and transferability. I would suggest that section 3 be amended to read as follows:

SEC. 3. In addition to other moneys which the Department of Commerce may use from its appropriations to cover the purposes of this act, the Secretary is authorized to expend for these purposes such so-called counterpart funds as may otherwise not be committed.

I consider it pertinent to point out that the promotion of American-made products abroad is by no means a lost cause. There is unfortunately a misconception with many people in this country that our products cannot compete with low-cost foreign products. I can assure you from firsthand knowledge that this is not true. American products are preferred over foreign products in many parts of the free world. Our primary difficulty is that we have not attempted to compete. Foreign trade is unfortunately a mystery to most American corporations—they have had no appetite to engage in anything but our domestic market. Unless the medium-sized and small American manufacturer is given a helping hand in selling his products abroad, our foreign trade program will fail. Fortunately, we are taking some steps to correct this situation. The foreign credit insurance now being offered by the Foreign Credit Insurance Association, which guarantees payment of credits extended by a U.S. exporter to a foreign buyer, is a most important step in promoting the sale of our products abroad. Without an active sales promotion program, however, such efforts will be largely unavailing, because foreign buyers, like any other buyers, will not order unknown or unseen products. Mobile trade fairs can, we feel, help fill part of the gap

in the sales promotion of our products abroad. Fortunately, because of the experience of Isbrandtsen, Mobile Trade Fairs, Inc., is able to come before this committee in support of S. 3389 armed with valuable experience as to how such a program can operate successfully.

In closing, I should like to state that we have had excellent cooperation from the officials of the Department of Commerce. The mobile trade fair has been well received and encouraged by all of the Government departments, including the Department of State, the U.S. Information Agency, and the Maritime Administration.

Senator ENGLE. That is an excellent statement, Mr. Betjemann, and I compliment you on it.

Let me say that our concern is that in getting the Federal Government into this situation we do not impair what is already a very well going thing. I notice that on page 5 of your statement you say that one additional partner is necessary, the U.S. Government, and then you go on to indicate that the expense of showing a contingent in a foreign port would average about \$1,500 per port.

In the light of your experience, how has it been possible for Isbrandtsen to manage this kind of an expense up to this time?

Mr. BETJEMANN. Sir, we have been hoping right from the inception of the program that we could get the assistance of the U.S. Government and for the past 2 or 2½ years I have had discussions with the officials of the Department of Commerce for that very reason.

Senator ENGLE. In other words, what you have done is carried the cost yourself in the hope that having demonstrated that this can be successfully done, that you could get some assistance from what you mention here as the additional partner? You already have American private industry and local government, and you have indicated the kind of cooperation you have there—for instance, I note you are asking for free dock facilities and that sort of thing.

So your idea is, as I gather from your testimony, that you could not have expected to continue this kind of program unassisted over a long period of time, but you did undertake to demonstrate that it could be done, and could be done at a minimum of expense, as you point out, to the Federal Government in promoting the export trade of the United States.

Would it be fair to say that in the absence of some kind of help from the Federal Government, that you do not believe that Mobile Trade Fairs, Inc., this nonprofit organization, would be able to continue or expand this program?

Mr. BETJEMANN. I don't believe so. If the \$1,500 charge were to be assessed against the manufacturer, despite the fact I feel that is a very nominal amount, I am afraid most manufacturers would say the cost is too great.

You have to recall, sir, that most manufacturers in this country are not export conscious. They are interested only in the domestic market. And they have an extremely small budget to take care of their foreign advertising.

Senator ENGLE. What is embodied in this \$1,500 per port? You say the expense of showing in a foreign port would average \$1,500 per port. What is that cost?

Mr. BETJEMANN. That would cover the cost of entrance and clearance through customs, for one thing, the cost of moving the mobile trade fair containers from dockside to the site where they will be

shown within the city. It would cover the cost of advertising, it would cover the cost of guarding service, because these containers in view of the fact that the items on exhibit are available for the public and can be touched, it is quite essential that guards be available to see the whole thing is not stolen from under our eyes. And that has been one of the heavy expenses of the operation.

Senator ENGLE. Actual cost of transportation of these packets is paid by the steamship company, is that right?

Mr. BETJEMANN. That is right.

Senator ENGLE. Where do they put these packets, up on the deck some place?

Mr. BETJEMANN. In some instances they are stowed on deck. They are weatherproof. In other cases they are put underdeck.

Senator ENGLE. What would it cost on the average if these exhibitors had to pay the actual cost of transporting that packet, which up to the present time has been transported free? Just on an average what would it be?

Mr. BETJEMANN. Well, it is pretty hard to estimate, but assuming it is a general cargo rate of \$40, for ease of computation that would be \$1 per cubic foot. Then the cost of transporting to the first port would be \$160. Then from port to port it would be approximately the same.

Senator ENGLE. \$160?

Mr. BETJEMANN. Just to the first port of call.

Senator ENGLE. But the expense of showing is \$1,500?

Mr. BETJEMANN. That is right, sir.

Senator ENGLE. In each port?

Mr. BETJEMANN. That is right; \$1,500 per group.

Senator ENGLE. Per group?

Mr. BETJEMANN. That is right. The entire—in other words, Isbrandtsen carried anywhere from six to eight containers. Now the cost of showing eight containers in the foreign port for a period of 10 days—

Senator ENGLE. In other words, that would boil down to about \$200 per container per port; is that right?

Mr. BETJEMANN. That is right, sir. No, \$2,000 per container.

Senator ENGLE. You have eight exhibits in each container and you have eight containers, ordinarily; is that right?

Mr. BETJEMANN. That is right, sir.

Senator ENGLE. So just rounding it out at \$1,600, that would be \$200 per container, and you would have eight exhibitors in each one of those, which would be \$25 apiece?

Mr. BETJEMANN. That is right, sir.

Senator ENGLE. Per port. What does it then actually cost a manufacturer who presumably will benefit by the exhibition of his goods in these foreign countries?

Mr. BETJEMANN. It would cost—his main cost would be the cost of preparing an exhibit and that could vary from \$300 to \$2,000 depending on how elaborate his exhibit is designed. His other expense under the nonprofit concept it is anticipated that the expense for the first year's operation would be \$300 and then \$100 for the second year and third year.

In other words, for 3 years' participation, it is anticipated that a nonprofit organization could get by on a \$500 fee.

Senator ENGLE. On what?

Mr. BETJEMANN. On a \$500 fee against the manufacturer. Now if that can be reduced, it will be reduced.

Senator ENGLE. I am trying to figure out how this comes out in this partnership.

The local exhibitor, or the exhibitor himself, you say, can probably get by for \$500 over 3 years; is that it?

Mr. BETJEMANN. That is right, sir, plus the cost of his exhibit.

Senator ENGLE. Plus the cost of the exhibit?

Mr. BETJEMANN. That is right.

Senator ENGLE. What is the \$500 for?

Mr. BETJEMANN. That is to cover the overhead of the nonprofit organization.

Senator ENGLE. They would pay that in a fee to——

Mr. BETJEMANN. To the nonprofit organization.

Senator ENGLE. Whether it was Mobile Trade Fairs or whoever it was; is that right?

Mr. BETJEMANN. That is right, sir.

Senator ENGLE. In addition to that, he has to prepare his exhibit, which may cost anything from \$300 to \$3,000 depending on how elaborate he wants to be?

Mr. BETJEMANN. That is right, sir.

Senator ENGLE. So he is in it to the tune of, say, a minimum of \$800?

Mr. BETJEMANN. Yes, sir.

Senator ENGLE. Is this over a 3-year period?

Mr. BETJEMANN. That is right, sir. And it would cover showing it at approximately 57 ports.

Senator ENGLE. And the steamship company itself is in it to the tune of, say, \$160 for transportation to each port; is that right?

Mr. BETJEMANN. That is right, sir.

Senator ENGLE. How many ports do you plan on calling on?

Mr. BETJEMANN. Fifty-seven.

Senator ENGLE. That runs into quite a tidy sum.

Mr. BETJEMANN. Their contribution is very heavy.

Senator ENGLE. That runs \$8,000 just roughly, or a little better than that—pretty near \$9,000 on each exhibit.

Mr. BETJEMANN. On each contingent; yes, sir.

Senator ENGLE. On each contingent as you call it, which is the eight packets?

Mr. BETJEMANN. Yes, sir.

Senator ENGLE. What you are suggesting is that this cost of \$1,500 per port be picked up by the Federal Government?

Mr. BETJEMANN. That is right.

Senator ENGLE. Do you think \$500,000 a year would do it?

Mr. BETJEMANN. I believe so; yes, sir.

Senator ENGLE. What would be the gross contribution of the exhibitors annually for the whole program?

Mr. BETJEMANN. There would be 80 exhibits going forward each month. That would be a total of 960 per year, and their contribution toward the nonprofit organization would be \$300, so that would be \$288,000 which would be the total income of the nonprofit organization.

Senator ENGLE. That would be \$288,000 just for the services rendered by the nonprofit organization. Then on top of that they would have to prepare their own exhibit, of course.

Mr. BETJEMANN. That is right. But their own exhibit would not be made by the nonprofit organization. All we would do would be to set up the plans and specifications that they would have to conform to, size requirements, and so on.

Senator ENGLE. What would be the gross contribution of the steamship companies on these same assumptions, roughly?

Mr. BETJEMANN. Well——

Senator ENGLE. This \$8,000 I picked off here for one exhibit. In other words, annually. What I am trying to do is get a comparison between what it costs the private exhibitor to run this program, what it costs the steamship company to run it, and what it would cost for the Federal Government to participate in it. That has been estimated at around \$500,000 annually?

Mr. BETJEMANN. That is right.

Senator ENGLE. I am trying to find out how this stacks up.

Mr. BETJEMANN. It is hard to estimate what the steamship company would normally derive in the form of a freight rate for transportation of these exhibits, because it has never been done before. I don't believe a rate is established in the tariff. But on the basis of a \$40 rate, the containers are 20 by 8 by 8; that is 1,280 cubic feet. If this were normal cargo, the steamship company would collect \$1,280 for each container of eight exhibits. By carrying 10 containers, their contribution, so to speak, would be \$12,800, but only to the first port. Then that same steamship company transports the containers from the first port to the second port and from the second port to the third port, et cetera.

It is pretty difficult to figure out what their contribution would come to in freight charges.

Senator ENGLE. Unless you knew how many ports they were going to stop at, you couldn't do that, but you have 57 ports lined up, so you can gross it out, can't you, pretty well, and find out what it is going to cost?

Mr. BETJEMANN. Well, using that \$40 rate as a guide, to transport 10 containers to 57 ports of call would involve freight charges of \$729,600, which is being contributed by the steamship companies. That is over a 3-year period.

Senator ENGLE. That is for one group of these containers, of which there are eight in each group: is that right?

Mr. BETJEMANN. Well, there are 10 containers I am speaking of, with 8 exhibits in each container. That would normally be the cost of transporting, assuming the \$40 rate is correct, transporting 1 contingent of 10 containers, or 80 exhibits, to 57 ports of call, over a period of 3 years.

Senator ENGLE. Now on page 7 of your statement you give a bill of particulars as to the type of assistance Mobile Trade Fairs, Inc., would desire from the Government.

Now facilitating entrance and clearance at foreign ports. Does that cost some money?

Mr. BETJEMANN. No, sir; it is mostly prestige that helps there. If this is done with the blessing, so to speak, of the U.S. Government and their assistance——

Senator ENGLE. Now public relations and local advertising assistance abroad. Maybe you heard Mr. Behrman say that he didn't think we ought to participate in that.

Mr. BETJEMANN. Well, in any promotional venture such as this, advertising is of extreme importance and under the Isbrandtsen concept I would say that the U.S. Information Service abroad has been extremely helpful to us.

Senator ENGLE. Is that in buying advertising, do I understand?

Mr. BETJEMANN. No, sir; in press releases and carrying news stories. The idea is novel enough that oftentimes in most cities the newspapers pick it up and give the story tremendous publicity.

Senator ENGLE. In other words, what you are thinking of is not about buying space in newspapers to advertise particular products, but you are talking about help in getting news stories out and that sort of thing. Is that it?

Mr. BETJEMANN. Not exactly, sir. We would like a continuation of what USIS has already done, plus the fact that this is a nominal expense which we feel should not be borne by the steamship companies and that is what we are asking relief from, that the Government would pay such expense.

Senator ENGLE. It would seem to me that the owner of the product ought to pay for his own advertising.

Mr. BETJEMANN. That would be supplemental, sir.

Mr. KURRUS. Senator, might I say one word there? I may be wrong, but I understood Mr. Behrman to mean that the Department of Commerce could not engage in advertising the products of any particular company or even advertising the services of the steamship lines. The type of public relations that we are envisaging here is merely public relations that would tell the local people that the trade fair is there, without reference to any particular product or without reference to any particular company.

Now as I understand it, the Department of Commerce already has such enabling statutory authority in title 19, section 1751 of the United States Code. And even with respect to the use of counterpart funds, counterpart funds could be used for such a program under title 7, section 1704, United States Code.

Senator ENGLE. When you say "such a program," what do you mean?

Mr. KURRUS. A program of international trade fairs. You see, there is already a substantial amount of enabling statutory authority reposing in the Department of Commerce to promote international trade fairs. We had at one time thought the statutory authority was sufficient to enable the Department of Commerce to give assistance to the mobile trade fair that Isbrandtsen was conducting. And I might say that certain people in the Department of Commerce thought so too. But there was, through no fault of anybody in the Department of Commerce, a certain amount of inertia in getting any funds made available for this purpose.

On the point of public relations, it was my understanding that Mr. Behrman was directing his attention, and I think quite properly, to the inability of the Department of Commerce and even the inappropriateness of the Department of Commerce to promote the products, or services of any particular company.

Senator ENGLE. I think that is correct; your interpretation of Mr. Behrman's testimony is the same as mine. I believe that he would not object to public relations in local advertising assistance, when you are thinking in terms not of particular projects or particular lines, but of the project itself.

Now the third point is arranging for exhibit space in foreign ports or commercial centers. You have already had some help on that score, haven't you?

Mr. BETJEMANN. Yes, we have had a considerable amount of help in Alexandria, Egypt, where the U.S. Embassy is donating some ground they owned where the mobile trade fair was held on four occasions.

Senator ENGLE. Do you have to pay rental for those places? I noticed pictures in this document you put out. Sometimes you display them right along the dock, don't you?

Mr. BETJEMANN. Very rarely. That is the exception.

Senator ENGLE. You have to take them downtown some place?

Mr. BETJEMANN. Yes. We usually try to get the best site in the city. In Singapore it was the Polytechnic Institute.

Senator ENGLE. In doing that, do you have to pay rent very often?

Mr. BETJEMANN. In some cases we do. In Beirut we had to pay rent. Naturally in Alexandria, using the Government ground, we did not have to pay, nor did we pay in Singapore, where we used some land available to us from a private school, the Polytechnic Institute.

Senator ENGLE. Your fourth point relates to the cost of moving the exhibits overland between the port of discharge and other commercial centers in the foreign country.

When you say "other commercial centers," are you talking about other cities than the port city itself?

Mr. BETJEMANN. Yes, sir.

Senator ENGLE. Then do I understand that you do not want or do not need financial assistance to transport the exhibit at the port of discharge?

Mr. BETJEMANN. Yes, sir; we do.

Senator ENGLE. That is not included in item No. 4 on page 7 of your statement, is it, or do I misread it?

Mr. KURRUS, would you agree that No. 4 on page 7 would not by ordinary construction include assistance for moving the exhibit in the port city itself?

Mr. KURRUS. I would have to agree that the grammatical construction of that is such that your interpretation is correct, Senator.

We had intended to have the port costs include whatever transportation might be necessary in the port city. That is what Mr. Betjemann was talking about in previous comments in his statement.

Unfortunately in this bill of particulars, as you refer to it, it is not clearly specified.

Senator ENGLE. Without objection, Mr. Betjemann, would you mind this change in your statement as read on the record to reflect your true intent, because I realized from reading your testimony that that is what you meant, and that your language therefore when you laid out the bill of particulars, which as we lawyers know is what you finally get down to brass tacks about, was not quite as broad as that?

Mr. BETJEMANN. That should be corrected, sir.

Senator ENGLE. I have no further questions. I want to again congratulate you on your excellent statement and Isbrandtsen on initiating one of the finest programs that we have had in the export business, which brought to them the recognition which they received from the President of the United States when they were awarded the E for Export Award, one of the outstanding ones in the whole country. And I want to stress again that our effort is to help out, but not destroy or to limit, but rather to accelerate the private effort in this area to the best of our ability.

Mr. KURRUS. Senator, could I make one other short comment?

Senator ENGLE. Yes.

Mr. KURRUS. On the availability of these so-called counterpart funds, we were quite apprehensive that the bill might be interpreted as authorizing the Department of Commerce to expend only counterpart funds.

Senator ENGLE. I observed that. We can correct that.

Mr. LEVIN. Mr. Betjemann, when you first started this program, and you got it up under the Isbrandtsen Line, did you have any trouble getting together your first group of exhibitors?

Mr. BETJEMANN. A tremendous amount of trouble. In order to get 56 manufacturers together, contained in 7 containers, it was necessary for me personally to be in contact with over 350 companies.

Senator ENGLE. I wanted to ask about that; I am glad Mr. Levin brought it up. I had a letter from San Francisco in which it was stated that great difficulty was encountered in getting American business to participate in this program. You say that is correct?

Mr. BETJEMANN. Yes, sir.

Senator ENGLE. But it is still going ahead, isn't it?

Mr. BETJEMANN. It is going ahead. As we sent forward each group, we found there was less resistance because some of the results started coming back from the original groups.

But we actually had to sell the idea, even to the point where we were making no charge whatsoever. And we would tell the manufacturer he could have an exhibit prepared no doubt for about \$300, and taking it on a corporate tax structure, 52 percent, that meant out-of-pocket was \$150, and in view of the fact his product would be shown at 10 separate ports, that meant his exposure per foreign port was \$15, and since the exhibit would be shown for 10 separate days, that meant his exposure per day in a foreign port was \$1.50, and you can't work much cheaper than that.

But despite that fact, manufacturers came back and said "I am sorry, we don't have that much money in the budget." It is a sad commentary, but very true.

Senator ENGLE. Well, there is only one thing further you could have done, and that is pay them to go.

Mr. BETJEMANN. We thought about that.

Senator ENGLE. Thank you very much for your statement. I very much appreciate it.

Our next witness is Mr. Dana M. Herbst, president, American International Tradeship, Inc., 505 Fifth Avenue, New York, accompanied by Donald L. Atkins.

STATEMENT OF DANA M. HERBST, PRESIDENT, AMERICAN INTERNATIONAL TRADESHIP, INC., NEW YORK, N.Y.; ACCOMPANIED BY DONALD L. ATKINS, CHAIRMAN OF THE BOARD, ATKINS & MERRILL, INC., SUDBURY, MASS.

Mr. HERBST. Mr. Chairman, my name is Dana M. Herbst, president of American International Tradeship, Inc., with offices located at 505 Fifth Avenue, New York, N.Y.

I am interested in the passage of legislation designed to further the promotion, sales and expansion of U.S. exports abroad.

Legislation has been introduced previously to support the idea of the United States or private industry operating a floating international trade fair with the majority of exhibits fixed so that they would remain aboard a ship redesignated for this purpose.

Today discussion is being heard on S. 3389 which will permit the Government to indirectly subsidize a project of Mobile Trade Fairs, Inc., that has been operating previously under the aegis of Isbrandtsen Lines and now under Mobile Trade Fairs, Inc., a nonprofit company. These mobile container displays which assisted in pioneering the thinking of many Americans on how to expand exports through other means have been successful to date. In this there is no real doubt. However, this method of display leaves much to be desired. American International Tradeship, Inc., was formed and offers many advantages not found in the mobile container operation.

American International Tradeship, Inc., was founded last year for the express purpose of providing American businessmen and corporations, both large and small, the opportunity of participating in the active search for new and expanding markets abroad. The method of carrying on this search isn't exactly new but our ideas are unique as far as the United States is concerned.

The program as outlined by American International Tradeship, Inc., envisions the conversion of a baby flattop into a cruising showcase of American products. The mobility of the ship will enable it to enter various areas of the world where American businessmen have heretofore bypassed, plus sell to the old reliable trading centers, including the Common Market.

The new frontiers are now offering us quite a challenge today, but the only way to accept this challenge is by a well-planned commercial effort to bring credit to you and your country.

Japan, Australia, Sweden, Spain, and shortly Brazil have launched floating trade fair projects. The Japanese have been very successful and now are building a new ship.

The United States of America's only attempt has been a static display container program promoted and carried by Isbrandtsen Lines to various ports that their ships use. This company is to be commended for their efforts but let's not sit back and fold our hands. We need more of the same; larger, better prepared, and more dynamic.

AIT, through proper planning, will bring to these new frontiers a tremendous package of dynamic American know-how, good will, and commercial enterprise which will enable the indigenous people of these countries to deal with us in human dignity plus help to create a strong commercial bond and make profits for our corporations.

At each of the 40-odd ports visited each year, the arrival of the tradeship will be prepared for weeks in advance by a professional public relations team. Local manufacturers, distributors, and merchants will be apprised of the forthcoming visit of the ship by mail, newspapers, magazines, radio, movies, and TV, if feasible. Upon arrival in port, the ship will be greeted by a host of small boats and government officials on both sides. (A reception will be arranged later so the important officials can view the exhibits in semiprivacy.)

A colorful red, white, and blue pneumatic shelter that protects the exhibits on the flight deck will be inflated. The band will be playing the national anthems of both countries—a welcoming speech will be made by the indigenous government and a thank you on our part.

The newspaper services will be escorted around the ship and provided with a proper number of translators to assist them.

After the initial receptions and tour, the ship will then be opened to the trades people on presentation of an invitation or business card. A file will be kept of each individual and company representative coming aboard the ship so that the displayers can refer to it if necessary for a proper followup.

The tradeship will be opened to the public either in the evening or on the last day in port. Admission to the ship by the public will either be by invitations distributed in advance or by the purchase of a limited number of tickets that would be sold.

The advantages of this idea are quite numerous and provides the following:

1. Opportunities for personal and visual presentation;
2. Aggressive presentations;
3. True American competitive spirit will come to the ports of call of the tradeship;
4. An opportunity to find out first hand the customers' needs in over 40 market areas around the world;
5. The opportunity to export a little of America overseas;
6. The opportunity to participate in a commercial campaign to outsell and outwit the Communists at their own game of indirect aggression;
7. The opportunity to increase the United State's own share of exports and make more money for the companies exhibiting.

There is no doubt in our minds, and to the many businessmen and Government officials we have seen, as to the impact of this tradeship. Think of it—personal representation in over 40 ports around the world. The opportunity to investigate new and old market areas, to personally demonstrate their product lines, to talk with potential customers and to find out their needs so that new products can be designed if necessary in order to assure increased sales.

This personal contact will lend confidence to the seller, the selling company, and our country. On the tradeship, there will be people to assist with language problems—a printing service would be available to print booklets and catalogs in many languages—financial and transportation services will be available to give accurate quotes on the financing and shipping of equipment.

Personal contacts will be so good that displayers will have to turn down many invitations to visit with the indigenous people in their homes—invitations no doubt will be forthcoming by our manufac-

turers to ask them to the United States—correspondence will be exchanged—friendships encouraged and for the companies' representatives personally, their companies businesswise, and our country, politically and economically will prosper.

To give you even a rough idea of the type of interest that has been generated on the subject of a floating international trade fair would take a considerable amount of time. However, I can say that some of the following nationally known individuals and associations have had a real interest in the further development of this subject.

Roy F. Williams, former Director of the Office of International Trade Fairs, now president of Alden International, Brockton, Mass.

Bradley Fisk, former Assistant Secretary of Commerce for International Affairs, now deceased.

Ralph Binney, vice president, First National Bank of Boston, member of export expansion committee.

Robert Bassett, industrialist, Chicago, Ill.

Wilfred J. McNeil, president of Grace Lines.

Arthur J. Brown, president A.B.C. Freight Forwarding Co. New York City, N.Y.

Roger A. Schultz, prominent corporate attorney, New York City, N.Y.

Donald L. Atkins, chairman of the board of Atkins & Merrill, Inc., one of the country's finest exhibit houses, Sudbury, Mass., who is beside me.

Robert Letwin, editor of Sales Meeting magazine, Philadelphia, Pa.

David Schultz, former financial vice president of Raytheon Manufacturing Co., Inc., Lexington, Mass.

Robert Maynard, vice president, International Department, Harris Bank & Trust Co., Chicago, Ill.

Associated Industries of Massachusetts.

National Association of Manufacturers.

Various unions.

Plus about 150 companies both large and small.

It appears apparent to me that the Government should take a positive stand indicating its approval of the idea of a floating trade fair in addition to the mobile trade fair program as authorized under S. 338.

I'm in favor of the passing of S. 3389. However, because of the interest shown in both programs I feel that the bill should be amended to provide the Secretary of Commerce the authority to lease to a private corporation a suitable vessel or vessels for such a project, and/or provide for new language in the title 11 Ship Mortgage Guarantee Act so that either a new ship or older ship can be constructed to fit the needs of the floating trade fair project.

Additionally, it should provide for the Secretary of Commerce and other Secretaries to have the authority and funds so that the various Government agencies might exhibit on such a ship and lend whatever assistance is necessary to further the aims of the expansions of American exports through both floating trade fairs and/or mobile trade fairs.

It's essential that the bills needed to support such a project should not favor any individual or organization as to give them an unfair advantage over their competitors. It's also very necessary to indicate in concise language that the Government will not be a competitor to private enterprise as has been intimated by another floating trade fair bill now before Congress.

Private enterprise as interpreted by Americans should be permitted without a doubt or fear of Government competition and intervention to operate, develop, and organize in such a manner that is expected of U.S. ingenuity and capital movement.

Mr. Chairman, the organization, planning, and expense involved in promulgating a new idea is tremendous. However, as long as we think of ourselves as reflecting honest beliefs, a nation of individuals fearlessly determined to protect all that we hold dear, then our American way of life will prosper.

But, if individualism is ever replaced by dull passivity, we will have lost one of our most cherished possessions.

I cannot do everything, but still I can do something. If we neglect this great heritage of freedom—so dearly purchased—we shall fail to meet the true challenge of our time.

Senator ENGLE. Without objection, the exhibits attached to your statement will be made a part of the record, excepting, of course, the ones that in their very nature cannot be reproduced in a record. I have in mind the drawing of the converted flattop. Mr. Levin, would you see that we get in as much of that as we can, without asking our printing people to do a special engraving job.

(The documents are as follows:)

AIM WITH AIT

AIM FOR LARGER, RICHER FOREIGN MARKETS

Do we have the marketing ability to meet and match foreign competition?
Do we have—

- Aggressive merchandising methods?
- Imaginative international sales techniques?
- Modern advertising approaches?

THE ULTIMATE SALES APPROACH

Think of your potential customer in a foreign land. What would be your ideal sales approach? Probably, a face-to-face meeting. If you could show him your product, demonstrate its features and design, answer his questions, the sale is yours.

THE INTERNATIONAL APPLICATION

People-to-people salesmanship is proven and, in international trade, that means the industrial trade fair. American industry has only recently awakened to the strength of foreign trade fairs, their powerful purchasing stimulants of product demonstration and personal salesmanship.

Yes, our international marketing executives hesitated—and not without good reason. Foreign trade fairs were costly, foreign competitors received priorities, expensive exhibits had to be created and then broken up. Transportation costs alone were cause for dismay and endless redtape snarled marketing men. In these days of network TV and national magazines, expensive promotions one market at a time are hard to justify.

American International Tradeship, Inc., was formed to place an aggressive, imaginative, and maneuverable merchandising tool in the hands of today's international management—a floating trade fair. This floating trade fair will leave the United States, filled with displays of our Nation's finest products, and journey to over 40 ports of the free world. This voyage will cover approximately 50,000 miles in 1 year. Exhibition time in each port will vary from 3 to 8 days, depending on the commercial attractiveness of each port.

To provide the maximum effect AIT field teams will precede each visit, gathering data on marketing, financial, and government conditions. In addition, we will conduct an aggressive publicity campaign.

In port, appropriate receptions for local officials will be followed by exhibition of the products to businessmen only. Later, the public will be permitted to view the exhibits in an orderly manner.

Those exhibitors who do not have their own personnel on board or representatives in port will be served by a capable staff of AIT multilingual demonstrators who will have been briefed in the exhibitor's home office. In some cases, limited-range radios and other electronic methods will tell your story in the customer's own language.

Orders for your products—the goal of the trip—will be flashed by teletype from the ship to your home office, for fast and efficient processing.

THE VESSEL

A U.S. Navy surplus aircraft carrier, commonly known as a baby flattop and built on a T-3 tanker hull, will undergo extensive conversion to provide flat, unobstructed, well-lighted, air-conditioned display space. The prestressed decks provide readymade exhibit floors and the huge elevators facilitate efficient movement of displays and equipment, while large conference rooms, dining facilities, offices, and storage areas provide home-office convenience.

The ship will be operated by a major steamship line flying the U.S. flag. The flight deck will be covered with a colorful red, white, and blue pneumatic shelter, providing all-weather protection for the exhibits.

Five hundred and fifty-three feet long, with a cruising speed of 15 knots, the ship itself will insure great interest on the part of foreign businessmen even as it proves that a weapon for war can be a weapon for peace and commerce.

COSTS

AIT is a profitmaking business, making profits for both its stockholders and its customers. Costs, on a yearly basis, will average only \$200 per square foot or about \$4 per week or \$5 per port.

Whether you think in terms of cost per market, supporting your foreign distributor or corporate prestige, the fact is that an area 5 by 10 feet or 50 square feet can be yours for a year at \$10,000 with no transportation expenses for the exhibit, no redtape, and your exhibit will remain intact.

CONCLUSION

The beginning of a new force in international trade always suffers its labor pains. Contribute your efforts to the birth of a fresh, able technique and you and your company will grow with AIT, in partnership hand in hand with the capability and imagination to make a people-to-people sales approach across the vast seas.

AMERICAN INTERNATIONAL TRADESHIP, INC.,
505 Fifth Avenue, New York, N.Y.

Public relations: Burt Schultz & Associates, New York, N.Y.
Design coordinators: Atkins & Merrill, Inc., South Sudbury, Mass.

AMERICAN INTERNATIONAL TRADESHIP, INC.

505 Fifth Avenue

New York 17, New York

LETTER OF INTEREST

IMPORTANT: This is *not* a commitment or contract. It is intended to aid us in evaluating your interest in our Floating Trade Fair program and your requirements.

Name of Company-----
Home Office-----
Products Manufactured or Exported-----
Department in Charge of Trade Fairs

GENTLEMEN:

1. Your Floating Trade Fair Ship—
(Check one) ☐ is very interesting to us.
☐ does not fit within our present policies.
☐ does not interest us.
2. We would be interested in displaying the following products -----
3. We would require approximately ----- square feet for our display.
4. We are particularly interested in space number ----- on your official plan of the ship.
5. We would prefer to be represented in port by—
(Check one or more) ☐ our own personnel, numbering -----, traveling with the ship.
☐ your special representatives aboard.
☐ our distributors in the port.
6. Our firm has (has not) had foreign trade fair experience.
7. Our best estimate is that our display would require power as follows:
☐ none or ----- volts, ----- cycles, ----- amps.
8. Our best estimate is that our display would weigh ----- pounds with a maximum load per square inch of ----- pounds.
9. We would require approximately ----- square/cubic feet of storage space.
10. We would be interested in the following business services:
☐ stenographers and filing
☐ conference rooms,
Other -----
(Specify)

Date-----
Officer in Charge of Trade Fairs

AMERICAN INTERNATIONAL TRADESHIP, INC.—TENTATIVE ITINERARY

(Not necessarily in order of call)

Cristobal, Canal Zone	Piraeus, Greece
Cartagena, Colombia	Beirut, Lebanon
La Guaira, Venezuela (Caracas)	Mogadiscio, Somalia
Belem, Brazil	Mombasa, Kenya
Recife, Brazil	Dar es Salaam, Tanganyika
Rio de Janeiro, Brazil	Lourenco Marques, Mozambique
Santos, Brazil (Sao Paulo)	Durban, Republic of South Africa
Montevideo, Uruguay	Port Elizabeth, Republic of South Africa
Buenos Aires, Argentina	Karachi, Pakistan
Capetown, Union of South Africa	Colombo, Ceylon
Luanda, Angola	Bombay, India
Pointe Noire (French) Congo Republic	Madras, India
Libreville, Gabon	Port serving Calcutta, India
Lagos, Nigeria	Rangoon, Burma
Lome, Togo	Singapore
Tema, Ghana	Bangkok, Thailand
Monrovia, Liberia	Djakarta, Indonesia
Conakry, Guinea	Saigon, Vietnam
Dakar, Senegal	Manila, Philippines
Casablanca, Morocco	Keelung, Formosa
Lisbon, Portugal	Nagasaki, Japan
Plymouth, or Southampton, England	Osaka, Japan
Liverpool, England	Yokohama, Japan
Le Havre, France	Brisbane, Australia
Antwerp, Belgium	Sidney, Australia
Rotterdam, The Netherlands	Melbourne, Australia
Bremerhaven, Germany	Wellington, New Zealand
Oslo, Norway	Valparaiso, Chile
Goteborg, Sweden	Arica, Chile
Copenhagen, Denmark	Callao, Peru (Lima)
Barcelona, Spain	Guayaquil, Ecuador
Marseilles, France	Panama City, Panama
Genoa, Italy	Veracruz, Mexico
Naples, Italy	

Senator ENGLE. Mr. Atkins, do you want to read your statement? I have read it already.

Mr. ATKINS. There have been enough read statements here. I think I might just ad lib a bit here.

Senator ENGLE. Let me put your statement in the record. Without objection, your statement will appear in the record as if read.

(The statement is as follows:)

STATEMENT OF DONALD L. ATKINS

Mr. Chairman, distinguished Senators, and fellow citizens, my name is Donald L. Atkins, chairman of the board of Atkins & Merrill, Inc., Sudbury, Mass.

I have been quite interested in the development of a floating trade fair since first hearing of the idea. My company which is in the design and fabrication of trade show exhibits has been assisting Mr. Dana M. Herbst with the development of his idea.

American International Tradeship Inc., which was formed in 1960, has proposed a very dynamic program of international exhibitry using a former surplus aircraft carrier that is available commercially and converting her to use as a tradeship.

This idea is feasible even though the costs of going into business are high and carry perhaps more than normal risks. The tradeship which could be purchased from a private firm or obtained at a normal Government disposal auction would more than satisfy the requirements of the Coast Guard and the American Bureau of Shipping as to safety standards, and contains a suitable amount of usable exhibit space, staterooms, and entertainment facilities.

Think of the many possibilities with a tradeship of this nature.

(1) The majority of the exhibits, whether large or small, are fixed in place on a permanent floating exhibition hall which permits their display in over 100 ports around the world.

(2) It provides the opportunity for dynamic exhibits through the use of modern exhibit techniques such as movies, slides, animation, light and sound.

(3) The opportunity to carry 100 plus sales representatives offers the privilege of the buyer meeting the seller. This method allows the interchange and development of business not only on a commercial basis but also on a personal basis. In selling this is half the battle—you iron out problems before they start and you speed up operations.

(4) The use of various languages by trained interpreters will greatly enhance the successful conclusion of a sale and the elimination of technical problems. In addition to translators, it is possible to use a fairly new technique of simultaneously broadcasting from a limited range tape recorder in many languages a description of a particular display. This broadcast will be picked up by a transistorized earphone that would be given to each businessman. This is a proven and tried technique and would assist in the proper explanation of the company's product line.

(5) Entertainment suites or hospitality suites would be available so that customers could be wined and dined. These suites also give us an opportunity to introduce the indigenous person to some of the U.S.A.'s diet, eating, and cooking habits.

(6) A small hospital will be available in case of emergencies and would permit doctors or the U.S. Health Service the opportunity of discussing on a wider basis some of our health standards, techniques, and irradiation of communicable diseases.

(7) An opportunity exists for the promulgation of U.S. culture via the performance of a small theater, plays, music performances. Rooms would be available for the display of American art, copies of historic American documents, information on our space programs and how it benefits mankind.

(8) Restaurants or small cafes would be available to the general public. Souvenir shops, bookshops, photoshops, etc., would be available so that the public might purchase small items that could enter the particular country duty free.

(9) Dances, cocktail parties, conference rooms, movies, hotel rooms, and personal service areas round out the many opportunities showing off our country and products.

Gentlemen, S. 3389, as presently proposed, appears to grant the company of Mobile Trade Fairs, Inc., a nonprofit organization, an opportunity of having part of the expenses of her operations defrayed by the use of counterpart funds in such countries where they are available and to permit the Government to defray some of their expenses in countries where these funds aren't available.

I'm in favor of this legislation and consider it a good idea. However, this proposed legislation should be amended to make the bill more specific as to monetary limits of coverage, specific use of funds and not to place a roadblock in the way of private enterprise that is desirous of developing a better approach to export promotion.

Gentlemen, in considering S. 3389, further action and thought should be given as to how this program might be supported morally or monetarily by the Government. It is my hope that reconsideration by the committee would be given to Senate Joint Resolution 73 and S. 1729, which allocates funds to and permits the Secretary of Commerce to provide a ship fully converted on a normal leasing basis. Additionally the act which governs the use of title II ship mortgage guarantee funds should be rewritten so that it permits a private company like American International Tradeship Inc. to apply for a loan guarantee by the Government for the purchase, reconstruction, or for new construction of a ship suitable to a tradeship program.

It is entirely possible that not one ship is needed, but that dozens could eventually be using the oceans of the world carrying the flag of the United States to the ports of the world, developing trade in a manner typical of our American ingenuity.

With additional ships flying the U.S. flag, it means more seamen working, more exports sold, a better balance of payments, more goodwill, more manufacturers hiring new people and a spurt in our general economy.

A small businessman with his versatility, adaptability, and imagination should consider the export market just as he tries to develop the domestic market.

Exports open up new ways of stretching production and covering production costs. They strengthen our balance-of-payment position and they are the best means we have to demonstrate abroad the vitality of our political institution. But above all, they are a sign of progressive thinking, without which no business can prosper for very long. In today's expanding economy, to stand still is to regress.

Mr. ATKINS. The only comment I might have to summarize the gentlemen who have gone before me here is that based on my experience in the exhibit business and trade fairs, my company has had considerable experience both domestic and abroad, and the rounding out of this total affair here of international trade that we have found through experience that a manned exhibit with technical or sales people from a given company is vastly superior to one that is just you might say static, with a well-meaning staff either Government or industry, but who really do not know the product line.

Now in many of the big association trade fairs in this country some of the big aircraft companies and others have put in static exhibits, unmanned, and they have found this to be pretty much of a complete failure because people are basically inquisitive, they like their questions answered, and if they are there with the idea of understanding a man's product, they certainly want staff members on hand that can answer their questions, and as a result we feel that the trade show approach of the floating trade fair is the real, you might say rounded-out program that will give the finest result.

Now granted more money is involved in this type of a program. But I think the end results would be far in excess of the costs involved.

Now we have made some surveys, working with Mr. Herbst on this, and we have talked to many large industrial groups, and contrary to the findings of the Isbrandtsen people, the groups we have talked to feel that the fairly large expenditure that would go into this would be well worth while. I think possibly some of the objections of the smaller groups have been that being a static display, with only approximately 4 feet of space—it is pretty hard, as we know, being in the business, to tell a company's story in a 4-foot exhibit panel.

With many of our bigger machinery manufacturers and equipment manufacturers, with the aircraft carrier it makes really an ideal conversion exhibit setup, because on the flight deck under this pneumatic cover there is opportunity to demonstrate much of our very advanced and very large industrial equipment, rolling stock of all kinds.

After all, people are little boys at heart. If you can get some of them to get on a bulldozer and make it move back and forth across the flight deck to see how it actually runs, this is a pretty convincing story, and way of getting your ideas and product lines across.

So rather than take up more time of the committee here, I just want to go on record as being in favor of the bill, with the broadening out to allow for the additional use of equipment such as we propose here on the floating exhibit.

Thank you.

Senator ENGLE. Thank you very much, Mr. Atkins, for your statement.

Mr. Herbst, I assume that what you have in mind is getting a ship which would then be subject to conversion for this particular purpose. How do you propose to do that?

Let's assume we had a flattop sitting around that is not being used too much. I suppose the Navy has some being phased out, I don't know. But that is a matter that can be inquired into. But assuming you could get it, how do you propose the costs of conversion be carried? Mr. HERBST. There are several ways, Mr. Chairman, of carrying the costs of conversion.

First, permit me to elaborate on how the ship is obtained. There are two aircraft carriers that are suitable for this project which are available commercially. They were disposed of approximately a year and a half ago, under the regular Government auction program. We know the cost of acquiring these ships and we know generally speaking the cost of converting these ships. We plan to cover the cost of conversion by applying to the Government for title 11 mortgage guarantee funds, under which we would borrow from the Government necessary funds up to 75 percent of the money necessary. We would get insurance from the Government and then go to a regular commercial bank—in this case arrangements have been discussed with the Chase Manhattan Bank of New York City—which the Chase Manhattan Bank would take the Government insurance and then loan 75 percent of the funds.

The balance of the funds, and those required under the act, would be raised by private enterprise on investment basis.

Senator ENGLE. Well, let me say that I initially had legislation pending here to provide for a trade fair ship, but I didn't get very much enthusiasm out of the Government about it, out of the Government departments. They didn't cotton to the idea of putting up \$5 million for a trade ship, notwithstanding the fact that we know that Japan, as you mention in your statement, Mr. Herbst, and others have and do now operate those ships and apparently they are operating them successfully.

I note you have said the Japanese have not only been successful, but they are building another one.

It would seem to me we ought to be able to do as well as the Japanese, especially when we are busy and have been over a period of years reconstituting their economy. I notice here there is an article in International Commerce, a magazine published on July 9 by the U.S. Department of Commerce, which relates to this Japanese plan for a floating fair ship program, and, without objection, this will be excerpted and put into the record at this point.

(The article is as follows:)

JAPANESE PLAN FLOATING FAIR SHIP PROGRAM

VESSEL TO VISIT 12 SEAPORTS IN NEAR EAST AND AFRICA

Japan is planning to send a floating trade fair ship, the *Sakura Maru*, to 12 ports in the Near East and Africa starting late this fall.

The vessel, specifically designed to exhibit and sell Japanese goods in distant countries, is expected to be completed in October, in time for the journey.

The visits to the 12 ports will take place between the middle of next November and early March 1963.

The program will be undertaken by the Japan Industry Floating Fair Association, a private organization of manufacturers and exporters under auspices of the Ministries of International Trade and Industry, Foreign Affairs, and Transportation.

Government officials, traders, manufacturers, and distributors interested in Japanese industry and its products will be invited to the fair at each port visited.

Ports on the itinerary and the arrival dates are as follows :

Jidda, December 1; Beirut, December 8; Latakia, December 14; Istanbul, December 20; Athens, December 26; Casablanca, January 3; Tunis, January 10; Tripoli, January 14; Alexandria, January 20; Port Sudan, January 29; Dar es Salaam, February 6; and Mombasa, February 11.

EXHIBIT IN ITSELF

The *Sakura Maru*, whose gross tonnage is 12,200 and whose speed is 17.6 knots was designed and constructed as an exhibit in itself of the Japanese shipbuilding industry.

About 430 booths will be installed in the ship's 3 exhibition halls.

Approximately 10,000 items will be displayed, consisting of the following :

Machine tools; electric machines such as motors, generators, and transformers; radios, television sets and other communication equipment; various industrial machines; automobiles and other vehicles; textiles; and sundries.

More than 100 manufacturers and exporters will be represented.

Senator ENGLE. This demonstrates, apparently, that we are not as imaginative in this business as some of these other nations are. But sometimes we have to crawl before we walk. And I would like to ask, along that line, whether or not you have discussed this particular type of undertaking with anybody down in Commerce, or U.S. Maritime Administration, or any of the others?

Mr. HERBST. Sir, I have discussed this with the Secretary of Commerce himself, and with various deputies and with members of the Maritime Administration.

It is the opinion of their counsel it is possible for us to come under the present title 11 act governing the issuance of insurance. However, the act is not as specific as the counsel would like. I think it might be necessary for the committee to look into this act, as to the possibility of reclarifying it, so that American business could consider several things; one, the reactivating of an old ship that might be suitable for such a purpose, or the construction of a new ship.

The ideal way of carrying on this project is by using a brandnew ship. However, as you indicated before, you must crawl before you walk. I think perhaps the Isbrandtsen Line is the first stage of our life, in retrospect. I think the plan as outlined by myself today is the crawling stage, and I think the final stage would be the development of several new ships to carry forth our products around the world and display them in a manner that would benefit United States and the countries in which the exhibits were being shown.

Senator ENGLE. Assuming you got the ship, got it insured, and had it all reconverted, on a loan basis—that is what you are planning on, isn't it?

Mr. HERBST. Yes, sir.

Senator ENGLE. Do you think it would then be self-sustaining as far as the operation is concerned?

Mr. HERBST. Yes, sir; it is my opinion it would be self-sustaining

Senator ENGLE. Have you had any economic analysis or study made?

Mr. HERBST. Yes, sir; through the courtesy of Grace Lines, and Bethlehem Steel Co. and various other organizations an analysis has been made as to the cost of operations and the cost of reconstruction.

I personally, or my associates have called on roughly 150 potential exhibitors, to ferret out their opinion on such a project. I must admit that some of the larger manufacturing companies were not interested in this particular project because they have their own international marketing setups and all we would do is sort of confuse the issue. But the smaller business firms and the medium-sized firms that would be companies slightly over 500 personnel, seem to have a great interest in the future development of this project.

Cost is a factor, that is for certain. We anticipate receiving revenue from the sale of space. This is an all-inclusive item. We have no additional costs of off-loading equipment at a particular port, unless that one particular exhibitor might want to fly his helicopter off or take a specially prepared van, somewhat like the Isbrandtsen van, to an interior location.

I would say I would consider our operation very clean-cut all of the way, not inferring anything different to the Isbrandtsen or any other approach. But it is fairly simple for a businessman to arrange for himself or his representatives to be in a particular port city or in fact travel with the ship and then be right there to confer with his potential clients.

This would greatly enhance not only the sale of his products, but as you are well aware, it enhances United States, because all good businessmen are good will ambassadors.

Senator ENGLE. Specifically what kind of amendment would be necessary in this bill to make it possible for this to be done, provided the Government wanted to do it?

Mr. HERBST. I think consideration should be given to the next to the last page of my statement where I say the Secretary of Commerce should be given the authority to lease to a private corporation a suitable vessel or vessels.

Senator ENGLE. Of course, the Secretary of Commerce would have to get a vessel, before he could lease it.

Mr. HERBST. This is easily ascertained, sir, from the Department of Defense and the Department of the Navy, or it is easily ascertained through various shipping companies, commercial shipping companies. That is if a leasing arrangement is made.

Senator ENGLE. You have an alternative there, and that is that title 11 of the Ship Mortgage Guarantee Act be amended to provide new language so either a new ship or older ship could be constructed to fit the needs of the floating trade fair project.

Do I understand you to say that their counsel now believes that the language is not clear on this point?

Mr. HERBST. It is not as clear on this particular point as to giving the Secretary of Commerce the outright authority to go ahead without going to Congress for further legislation. What we are attempting to do, sir, is to operate this particular program on a strictly private basis, but to be put in the same class as a subsidized steamship company flying the U.S. flag. It is our intent and purpose that all ship or ships that will be operated by our corporation or through the services of a group of shipping companies, will be flying the U.S. flag, carrying U.S. union help, and carrying products of American industry.

This will greatly enhance the shipping industry as a whole.

Senator ENGLE. While you remain here, may I ask that Mr. L. Farnum Johnson, Jr. come forward? Are you here, Mr. Johnson?

Mr. JOHNSON. Yes, sir.

Senator ENGLE. I have read your statement, Mr. Johnson, and without objection, the statement will be made a part of the record.

STATEMENT OF L. FARNUM JOHNSON, TRADE SHIPS, INC., FALLS CHURCH, VA., ACCOMPANIED BY CARROLL KESTER

(The prepared statement of Mr. Johnson is as follows:)

STATEMENT OF L. FARNUM JOHNSON, JR.

Mr. Chairman and members of the committee, my name is L. Farnum Johnson, Jr. I am appearing as counsel for Trade Ships, Inc. My colleagues accompanying me today are Carroll M. Kester, Leonard S. Sattler, and Fred E. Wilson, Jr., all of whom are connected with Trade Ships, Inc.

In behalf of my colleagues and myself I wish to express our appreciation to this committee for the opportunity of appearing today and advising it of another private project, now in the planning stage, designed to provide U.S. industry with opportunity to aggressively promote sales of its products abroad.

Trade Ships, Inc., proposes to operate a floating trade fair that will be entirely contained in a ship converted solely for that purpose. Our proposed method of operation is set forth in the pamphlet which is attached to this statement entitled, "A Seagoing Showcase." This project is the result of many months' study and work by Mr. Kester, Mr. Wilson, Mr. Sattler, and others who are present today.

In discussing our proposal with persons interested in this project, one of the first questions which invariably is raised is, "What is the attitude of the U.S. Government?" In answer we can honestly say that the idea of a trade ship has met with enthusiastic response by officials of the Department of Commerce and the Small Business Administration with whom we have discussed the project. They have indicated a willingness to assist in providing information and guidance to the maximum extent of their authority. We cannot say, however, that it has the official endorsement of our Government.

The idea of a floating trade fair is not new. Various proposals have been presented since shortly after the turn of the century, but to date no American ship has been equipped exclusively for this purpose.

At this point a brief look to the U.S. competition for foreign markets is justified. After three successful ventures in this area Japan now has a specially designed ship, the *Sakura Maru*, under construction which will begin displaying Japan's products this December in the Near East and Africa. Other countries, including Australia and Sweden have realized the value of mobile fairs, and have successfully utilized trade ships in several areas of the world.

Our purpose in appearing here today is to demonstrate that with the proper support of the U.S. Government a successful trade ship can be launched at a minimum of expense to the Government. The basic ingredient to the success of such a venture is a demonstration on the part of our Government that the venture has its enthusiastic endorsement as being well conceived and in the best interests of the United States. To be successful it will require the full cooperation of the Department of State, Department of Commerce, and the Small Business Administration at home. In addition, our representatives in the countries to be visited must cooperate in seeing that the ship is well received, and in assisting the business communities and the governments of these countries to assure them maximum benefits from the ship's presence.

Because we feel that Senate bill No. 3389 embodies the spirit and direction we have tried to instill into our Trade Ships project we strongly endorse the passage of this bill.

Inasmuch as our first proposed itinerary contemplates visiting every country in Latin America that has a seaport, the provisions relative to use of counterpart funds will be of little assistance to us. It is our understanding that these funds are not available in Latin America and, if available, are very limited.

Without violating our concept that Trade Ships should be basically private enterprise we feel that some consideration should be given to an amendment that would permit the Department of Commerce to consider designating floating trade fairs, such as Trade Ships, among trade fairs in which the Government will participate. For years the State Department and the Department of Commerce have participated in various fairs and trade expositions abroad. We feel that in addition to the products displayed by American business in a trade ship there is a proper place aboard these floating fairs for the U.S. Government to tell its story of America and the benefits of increased trade. This can be accomplished on the same basis as companies exhibiting their products. We believe that the actual cost of participating in a floating trade fair would be far less than would ordinarily be spent for similar exposure of exhibits in the many countries to be visited by these ships. Legislation permitting the departments to determine whether they wish to allocate funds already available to them for participation in oversea trade fairs to specific floating trade fairs will not increase Federal expenditures and will enable our Government to realize further exposure in the vital area of world trade.

The overriding policy of our Government is export trade expansion. We believe that the Trade Ships project is a step forward in realizing our Government's goals in this direction. In addition, our first proposed itinerary, to visit all of Latin America, lies squarely within the concept of the Alliance for Progress program.

TRADE SHIPS, INC.

The current, rapid growth of continentwide trade agreements and worldwide commercial consciousness demand that American businessmen modernize their sales techniques and expand their markets beyond U.S. shores if they are to compete successfully in today's economic world.

Trade Ships, Inc., is designed to meet these needs.

Examples of this changing economic world include:

(a) In the United States, President Kennedy has called for a liberalized foreign trade policy aimed at engaging the United States in competition with free-trade blocs. The President also has initiated an Alliance for Progress program in South America to bolster the area's economy, which in turn will open new vistas to American business.

(b) In Europe, 13 of the Continent's leading nations are organizing a Common Market, which eventually will involve virtual free trade across national borders of member countries.

(c) In Central America, five of the section's six countries have already formed their own Central American Common Market, and the sixth is expected to join soon. The Central American Republics have also created a Central American Bank, jointly with U.S. financial aid, to help private enterprise in the area.

(d) In South America, a full-scale Latin American Common Market is being prepared.

(e) The emergence of free trade blocs means, on the one hand, that American manufacturers will be frozen out of these markets unless they adapt competitive trade policies.

(f) On the other hand, the businessman, both large and small, will find that the grouping of these national markets into huge sectional markets will enable the entrepreneur to deal with several countries simultaneously, instead of just one at a time.

Trade Ships is the bridge between the American merchant and the foreign buyer.

PROGRAM

Trade Ships initially will send a merchant ship throughout South America and the Caribbean, with American products aboard. The ship will exhibit 4 to 10 days in 45 ports of 17 countries—a concentrated sales program of 250 days at dockside.

An advance group of public relations and businessmen herald the arrival of the ship in each port. These men organize local press, business, and financial representatives to board the floating fair and fully exploit the tenure of the American seagoing showcase while docked.

The primary audience for the exhibit is not the ultimate consumer but the purchaser—buyers of equipment for private industry or government, representatives of management for enterprise already in being, or entrepreneurs with a stake in the industrial development of the South American countries.

This is in consonance with the far-reaching aim of the Alliance for Progress, for which the U.S. Government has pledged \$10 billion in aid over a 10-year period to help create a 20th century economy on the South American Continent.

By bringing the products of industry directly to the prospective buyer, Trade Ships, Inc., offers an opportunity for enterprise in the United States to share in the \$80 billion which Latin America is expected to raise internally under the terms of the Alliance.

This is the down-to-earth philosophy which provides for 3 to 9 days of carefully arranged and previously scheduled visits by business groups to 1 day for general public showings in each of the 45 ports visited.

Trade Ships makes this market available to the exhibitor for a full year at the same cost as, and greater material advantage than a week's exposition at an American trade meeting in New York or Chicago.

Trade Ships is important to American small businessmen who cannot afford to send representatives abroad to established sales agencies or contacts.

The U.S. Department of Commerce has been interested and helpful to the project and may place Commerce representatives aboard ship to answer queries concerning international trade.

Manufacturers, industrialists, and other businessmen who are aware of Trade Ships, as well as Latin American embassies in Washington and other U.S. Government agencies, have expressed interest in the venture.

During the past 2 years, two other countries have been carrying out their own form of floating fair.

Japan has had a ship with 12 exhibits cruising the southeastern Pacific on a 13-port itinerary, and Sweden has had tours of northern European ports with furniture, auto, and dairy product exhibits. These programs are government sponsored.

Also, the American firm, Isbrantsen Lines, has, for 2 years, carried aboard some of its ships aluminum vans containing exhibits which are unveiled while cargoes are loaded or unloaded.

PROCEDURE

Space aboard the ship will be on a first-come, first-serve basis.

Cost for exhibit space will be \$150 per square foot. The exhibitor will pay costs to ship the exhibit to the dock at Mobile, Ala., and provide accompanying literature in English, Spanish, and Portuguese that will accompany the exhibit.

Exhibits are tax deductible as a business cost.

Trade Ships will pay all other costs, including liability, property damage, and marine insurance.

The first Trade Ships vessel will start its year-long voyage from Mobile, making its first stop in Mexico, then swing through Central America, South America, and finally the Caribbean, before winding up the trip in Washington, D.C.

Products and institutional advertising will be showcased on five decks stretching the full length of the 446-foot craft, and two shorter decks.

Virtually any product can be exhibited on the ship—fountain pens to bulldozers.

The main deck will be available for exhibits such as helicopters. A swimming pool on the same deck will enable aquatic manufacturers to show their wares in action.

Trade Ships will arrange special lighting effects, beautifully decorate the ship's interior, and maintain a full crew.

Trade Ships will carry aboard ship a 50-man complement charged with explaining exhibits and answering questions. Each member of the 50-man staff will be carefully selected and will be bilingual, intelligent, articulate, trained in economics and a good representative of the United States.

In addition, exhibitors are encouraged to send their own representatives to the various ports to personally contact prospective customers. In such cases, the company representatives will have full use of the ship and its facilities.

[All figures in millions of dollars]

	Total, all imports, 1960	Total imports from United States, 1960	Machinery, all classes	Chemicals and related products	Aircraft, railway, autos, and equipment	Medicine and pharmaceuticals	Rubber and paper manufactures and related products	Petrol and products	Iron and steel mill products and metal manufactures	Textiles, fibers—semifinished and finished manufactures	Other imports including re-exports	Total
Mexico.....	1,186.3	856.4	114.6	53.3	65.9	9.7	11.9	11.4	19.6	7.8	79.2	373.4
Central America.....	623.8	303.7	28.9	27.9	13.5	12.5	12.1	2.9	10.0	13.3	25.1	146.2
Colombia.....	514.7	293.6	35.4	13.3	29.8	3.5	5.2	4.0	7.9	2.5	15.1	115.8
Venezuela.....	1,062.7	551.4	66.0	24.6	30.0	8.3	11.7	2.9	20.0	14.2	30.2	208.0
Chile.....	499.4	239.0	33.5	10.1	28.2	2.1	2.0	2.8	7.2	6.1	17.9	107.9
Peru.....	373.5	164.2	23.8	7.0	13.4	2.1	2.3	1.5	7.0	3.0	12.2	72.3
Brazil.....	1,462.8	443.2	80.7	22.2	35.4	3.3	5.3	7.6	15.0	.4	37.1	207.0
Argentina.....	1,190.0	311.5	100.1	12.0	35.4	2.7	7.0	1.7	9.6	6.2	22.3	197.0
Other republics.....	554.8	215.2	19.4	9.3	11.8	2.9	4.7	1.8	6.5	7.7	22.2	86.3
Total (1st half of 1961).....	7,468.5	3,379.2	502.4	179.7	262.5	47.1	62.2	36.6	102.8	61.2	261.4	1,515.9

Information source: Department of Commerce.

Tentative itinerary, Trade Ships, Inc., June 3, 1963-May 8, 1964

Port	Arrive	Exhibit days	Depart
Mobile, Ala.....			June 3, 12 mid.
Tampico.....	June 5, 8 a.m.	5	June 10, 4 p.m.
Vera Cruz.....	June 11, 11 a.m.	4	June 16, 8 a.m.
Colon.....	June 21, 9 a.m.	4	June 26, 6 a.m.
Caracas.....	June 28, 7 a.m.	10	July 8, 7 p.m.
Curacao.....	July 9, 10 a.m.	4	July 14, 10 a.m.
Maracaibo.....	July 15, 7 a.m.	5	July 20, 10 a.m.
Baranquilla.....	July 22, 7 a.m.	10	Aug. 1, 2 a.m.
Cartagena.....	Aug. 1, 7 a.m.	4	Aug. 5, 12 mid.
Buena-Ventura.....	Aug. 7, 8 a.m.	4	Aug. 12, 1 a.m.
Guayaquil.....	Aug. 13, 8 a.m.	4	Aug. 18, 6 a.m.
Trujillo.....	Aug. 19, 8 a.m.	4	Aug. 24, 6 a.m.
Lima.....	Aug. 25, 8 a.m.	10	Sept. 4, 10 p.m.
Iquique.....	Sept. 6, 10 a.m.	4	Sept. 11, 10 a.m.
Antofagasta.....	Sept. 12, 7 a.m.	4	Sept. 17, 10 a.m.
Coquimbo.....	Sept. 18, 8 a.m.	4	Sept. 22, 12 noon.
Valparaiso.....	Sept. 23, 7 a.m.	10	Oct. 3, 8 a.m.
Concepcion.....	Oct. 4, 7 a.m.	4	Oct. 8, 4 p.m.
Valdivia.....	Oct. 9, 11 a.m.	4	Oct. 13, 12 mid.
Punta Arenas.....	Oct. 16, 10 a.m.	4	Oct. 21, 5 a.m.
Bahia Blanca.....	Oct. 23, 8 a.m.	4	Oct. 27, 7 a.m.
Mar del Plata.....	Oct. 29, 8 a.m.	4	Nov. 4, 10 a.m.
La Plata.....	Nov. 5, 8 a.m.	5	Nov. 11, 4 p.m.
Rosario.....	Nov. 12, 11 a.m.	5	Nov. 17, 11 p.m.
Buenos Aires.....	Nov. 18, 1 p.m.	10	Nov. 28, 12 mid.
Mercedes.....	Nov. 29, 9 a.m.	4	Dec. 5, 4 p.m.
Montevideo.....	Dec. 6, 11 a.m.	10	Dec. 16, 4 p.m.
Rio Grande.....	Dec. 17, 10 a.m.	4	Dec. 21, 10 p.m.
Porto Alegre.....	Dec. 22, 9 a.m.	5	Dec. 29, 4 p.m.
Curitiba.....	Dec. 30, 11 a.m.	5	Jan. 4, 10 p.m.
Sao Paulo.....	Jan. 5, 1 p.m.	10	Jan. 15, 6 p.m.
Rio de Janeiro.....	Jan. 16, 9 a.m.	10	Jan. 26, 6 a.m.
Vitorio.....	Jan. 28, 7 a.m.	4	Feb. 2, 6 a.m.
Salvador.....	Feb. 3, 8 a.m.	5	Feb. 9, 10 p.m.
Aracaju.....	Feb. 10, 12 noon	4	Feb. 15, 12 noon.
Recife.....	Feb. 16, 9 a.m.	5	Feb. 22, 10 p.m.
Natal.....	Feb. 23, 1 p.m.	4	Feb. 28, 8 a.m.
Fortaleza.....	Mar. 1, 9 a.m.	5	Mar. 7, 9 p.m.
Belem.....	Mar. 9, 12 noon	5	Mar. 14, 5 a.m.
Paramaribo.....	Mar. 15, 7 a.m.	4	Mar. 20, 12 noon.
Georgetown.....	Mar. 21, 8 a.m.	4	Mar. 25, 12 noon.
Port of Spain.....	Mar. 26, 8 a.m.	5	Mar. 31, 8 a.m.
San Juan.....	Apr. 1, 10 a.m.	4	Apr. 5, 6 a.m.
Santo Domingo.....	Apr. 6, 7 a.m.	5	Apr. 12, 7 a.m.
Kingston.....	Apr. 13, 7 a.m.	5	Apr. 19, 6 p.m.
Nassau.....	Apr. 21, 6 a.m.	5	Apr. 27, 4 p.m.
Miami.....	Apr. 28, 9 a.m.	10	May 8, ----

Population data

Port	Population	Number of cities in 100-mile radius	Port	Population	Number of cities in 100-mile radius
Tampico.....	140,000	15	Mercedes.....	24,719	8
Vera Cruz.....	101,469	12	Montevideo.....	850,000	9
Colon.....	52,035	19	Rio Grande.....	64,241	6
Caracas (La Guaira).....	710,167	10	Porto Alegre.....	375,049	14
Wilhelmstad (Curacao).....	40,597	3	Curitiba (Paranagua).....	154,224	13
Maracaibo.....	235,750	5	Sao Paulo (Santos).....	2,395,765	17
Baranquilla.....	300,000	6	Rio de Janeiro.....	3,075,000	14
Cartagena.....	111,291	10	Vitorio.....	51,329	17
Buena-Ventura.....	35,087	9	Salvador.....	389,422	16
Guayaquil.....	258,966	15	Aracaju.....	68,686	10
Trujillo.....	45,899	14	Recife.....	510,370	11
Lima (Callao).....	1,033,232	14	Natal.....	94,812	10
Iquique.....	39,576	11	Fortaleza.....	205,052	7
Antofagasta.....	62,272	9	Belem.....	225,218	12
Coquimbo.....	24,962	12	Paramaribo.....	75,233	6
Valparaiso.....	310,000	16	Georgetown.....	84,962	11
Concepcion.....	119,887	20	Port of Spain.....	102,872	8
Valdivia.....	45,128	12	San Juan.....	465,741	16
Punta Arenas.....	34,440	2	Santo Domingo.....	185,533	10
Bahia Blanca.....	112,597	13	Kingston.....	238,229	20
Mar del Plata.....	114,729	13	Nassau.....	46,125	-----
La Plata.....	255,000	-----			
Rosario.....	467,937	10			
Buenos Aires.....	4,618,255	8	Total (45 ports).....	18,808,734	541

The first Trade Ships vessel will leave Mobile in June. All exhibits must be delivered to the dock by May 1.

The exhibitor will be required to pay half the cost at the time of reserving space and the balance at time of sailing.

UNITED CONVENTION SERVICE Co.,
Washington, D.C., April 23, 1962.

TRADE SHIPS, INC.,
Washington, D.C.

DEAR MR. KESTER: It was indeed a pleasure discussing your contemplated exhibit ship to the ports of South America.

In my opinion this is a project that is well timed and needed from a governmental public relations viewpoint.

Needless to say, the commercial organizations who could take space as exhibitors will find a medium with great impact and a captive audience.

I am in a position, as a management and sales consultant to—

A. Set up a sales team based in Washington, D.C., with outlets in the following locations: Eastern seaboard, Florida to Boston; Southern, Texas to west coast; Midwest, Chicago to west coast. We would set up sales offices with organizations who specialize in this activity.

B. Set up warehousing for exhibit receiving and storage.

C. Create a labor pool for installation.

My background of 30 years servicing trade shows and conventions brings me in contact with the top level of space buyers throughout the country.

I am certain, having made a spot check of manufacturers, that an enthusiastic space sale will be the result of our efforts.

I would welcome a further meeting wherein we could discuss every aspect of this project.

Cordially,

WILLIAM MAYERS.

Senator ENGLE. Mr. Johnson, you have heard Mr. Herbst testify?

Mr. JOHNSON. Yes, sir.

Senator ENGLE. Now what is the difference between what you are proposing and what he has in mind?

Mr. JOHNSON. Our approach to this is to obtain a cargo vessel combination passenger-cargo ship that is presently in existence, and to convert it to the use of a trade show.

We have not the plans so far as the aircraft carrier is concerned, but feel that within the budgetary limitations we have set up and the investment procedures we hope to accomplish, it can be acquired and financed privately, and will provide a suitable vehicle for the exhibits that we would hope to carry.

Our approach to the exhibitors is basically the same as Mr. Herbst; we would be selling space aboard the ship that would be suitable for display and would also be carrying aboard the ship personnel able to assist people in the various countries to be visited who are interested in the products and also in the case of some larger space purchasers to be able to accommodate their personnel and our facilities would not be great enough for every company to have personnel aboard the ship, but we do feel that by having the exhibit there, many companies who might have local representatives could utilize them or could fly their representatives to the various ports at such time as they felt it absolutely necessary they have their own man there.

Senator ENGLE. I observe on page three of your statement that you say that the bill should be simply broadened to permit the Department of Commerce to consider designating floating trade fairs such as trade ships among trade fairs in which the Government will participate.

In other words, instead of shipping their exhibit across and setting it up for say a month or so in some country, they simply put it on the ship you have in mind. Is that right?

Mr. JOHNSON. That is correct.

Senator ENGLE. And presumably make a payment for the space for that purpose?

Mr. JOHNSON. On the same basis anyone else would be making a payment for that space, yes, sir.

Mr. LEVIN. Mr. Herbst also made that suggestion in his presentation, did you not?

Mr. HERBST. Yes, sir.

Senator ENGLE. Do I understand, Mr. Johnson, that you don't need any financing from the Government except that you would like to have the Government able to step on a ship, if you had one, and say "We are willing to exhibit along with everybody else on this ship."

Mr. JOHNSON. We feel this is a vehicle the Government should have the opportunity to participate in, yes, sir.

Senator ENGLE. How are you going to get a ship and get it converted? That is the problem Mr. Herbst is working with.

Mr. JOHNSON. I think we are talking in terms of a slightly less ambitious program than Mr. Herbst. We have talked in terms of either one of two ships that are currently available that can be purchased for less than a million dollars and which can be converted we feel for less than \$400,000, to completely satisfy the requirements of a floating trade fair.

Senator ENGLE. Well, is it correct to say then that you are not asking for financing from the Federal Government?

Mr. JOHNSON. That is correct. The comment you made earlier that one must crawl before one walks is I think demonstrated not only by our own approach but by the Japanese approach also. We certainly would not reject Mr. Herbst's approach, if the thing were to prove as successful as we should hope. The Japanese started out by doing basically the same thing that we are talking of doing, and then I think about 2 years ago set up an industry trade council and gave them the exclusive right to import automobiles into Japan, and it was through the funds raised through this exclusive agency that their trade ship had that they raised the \$6.5 million which they are spending to build a ship devoted entirely to this.

But it was done through Government financing or Government participation, by giving them an exclusive trade area that raised the money for them.

Senator ENGLE. This is on the Japanese ship?

Mr. JOHNSON. Yes, and I can conceive of a time when, if these things prove as successful as possible, a new ship or one designed on a more lavish basis similar to what the Japanese are doing now may be in the best interest of the country and may well be subject to favorable consideration along the line Mr. Herbst has recommended.

But our approach right now is one where we have found in our own discussions that the thing that is foremost in the minds of most people we have talked with is what is the position of the American Government, U.S. Government with regard to the proposed trade ships. Will they be of assistance to you when you come into ports where the State Department will see to it the local business community has good public relations done on that level beforehand, can you count on our Gov-

ernment giving you the type of basic support that will make this thing successful?

As Mr. Herbst said, and the representative of Isbrandtsen, the concern relates to what the receipt will be in these various countries, and we do feel that these companies have a desire to know that they will have the full backing or we would have the full backing of our Government in going forward.

There are some cases possibly where they are reluctant without this factor. And I think this bill proposed here clearly demonstrates a type of governmental support that anyone working with this in this field, be it Mr. Herbst or ourselves or Isbrandtsen or whoever it may be, can look to it and say "Our Government, the Congress of the United States, feels these are very important and they are going to do everything they can to make these a success."

And it is this spirit of Government support that I think is the sine qua non of success in this venture. It is not something that requires money, individually appropriated. It is something that can primarily be done within the framework of staffs and departments already in existence, if they merely know this is something Congress is behind, the administration is behind, in relation to our whole effort of expansion of foreign trade, and that this will mean a change, certainly it will help a change in the attitude that will be necessary to sell this program.

Senator ENGLE. Is Mr. Scriven, from the Department of Commerce, still here?

Mr. SCRIVEN. Yes, sir.

Senator ENGLE. Mr. Scriven, would you prepare a comment to be submitted either in your name or the Secretary's name on the testimony just given by Mr. Johnson?

What I would like to know is whether or not the Department of Commerce would be agreeable to the kind of authority in this legislation which he asks for? That is, that the Secretary of Commerce be authorized to consider the rental of space on a trade-fair ship, if one is out and going, as an alternative, say, or as an addition to other trade fairs now authorized under the law.

I am not asking you to comment on that now, but I would like to know your reaction. It seems to me that this is not a very big step ahead of what we are already talking about. What we are talking about in this legislation is helping operations such as the one conducted by Isbrandtsen, the mobile trade fairs, and what you say, Mr. Johnson, is "We want to run a ship of our own, we intend to sell the space commercially, we want the Government authorized to buy some of that space if they see fit to do it and to give their support and their assistance as a Government agency to our operation when we do show up, whether they are on or off a ship." Is that right?

Mr. JOHNSON. Correct.

Senator ENGLE. That doesn't seem to be unreasonable.

Mr. SCRIVEN. Senator, I think this is a very interesting approach and I certainly will discuss it with the Secretary and we will prepare a statement on it.

I would like to point out one part of the statement I think is perhaps not quite completely accurate. When he says that no money will be required, additional to what is in existence, I would like to

point out the Department of Commerce does not have any budgeted funds for the purpose of use in international trade fairs now.

The present funding, the present budget is in the hands of U.S. Information Agency, and therefore they have the authority for its allocation. In the present trade fair program, the Department of Commerce acts as a contracting and supporting service agency to U.S. Information Agency.

Senator ENGLE. That is an excellent clarification of the record. I didn't know where the *Golden Fleece* was. But I assume Mr. Johnson wants it to be available for buying space on his trade fair ship if he can get it afloat and get it going; is that right?

Mr. JOHNSON. That is correct.

Mr. SCRIVEN. The complication, Senator, lies in this: As we all know, the prime objective of U.S. Information Agency is to present a proper image of America abroad. Therefore, in selecting countries in which the present international trade fair program stages exhibits, naturally they select first the countries in which there is the greatest need to combat Communist propaganda. The fact we in Commerce are very favorably disposed to that program lies simply in the fact that occasionally they fortuitously pick enough countries in which there is a real trade opportunity and then we are very happy to work with them and cooperate. But the trade aspects of the present international trade fair program, while very important, are secondary to this prime objective I mentioned.

Senator ENGLE. That is a piece of information I had not had before.

Mr. SCRIVEN. It is for this reason, Senator, that we were prompted in Commerce to request Congress this year for a separate and added and supplemental international trade fair budget. This is now being considered by Congress.

Senator ENGLE. I had a bill in last year that would do that job, and as I understood it, you didn't need the legislation. As a matter of fact, we had a hearing here in which we went through it section by section, and it was indicated that what I called a legislative hotfoot had put into motion actions that needed to be taken and those actions were underway.

I would like you to have your own money, because I am interested in combating communism, but also I am interested in selling American goods. I think the orientation of our exhibits very often has not been in the direct interest of selling goods. For instance, we put on a big show and the purpose of it is to exhibit American technology. It is a prestige affair. And all those folks want is a hoe and a rake and a shovel, but we are showing them a copy of our spacecraft, or we are showing electric refrigerators when they don't have any electricity, or things of that sort.

For purposes of prestige that is fine. But what I am interested in is helping American business sell products overseas. We will fight communism, too, and fight them hard, and meet them every place in the propaganda world, but I am for your money, now, and if there is any question as to whether or not you have the authority to get it, we will change the law so you do have the authority.

Mr. SCRIVEN. We appreciate that, Senator.

Senator ENGLE. I was advised you had the authority; what you needed was the cash.

Mr. SCRIVEN. That is correct. We need some cash and we are having our hearings this week before the Senate Appropriations Committee.

Senator ENGLE. I know the chairman of that particular subcommittee and I will have a quiet word with him.

Mr. SCRIVEN. Thank you very much, Senator.

Senator ENGLE. Getting back to Mr. Herbst again, I would be less than frank with you if I didn't tell you that getting a ship is going to be hard going, but the other alternative which you have suggested here is something that we ought to have a comment on.

Now who has control of that?

Mr. LEVIN. Maritime Administration.

Senator ENGLE. I am going to ask Mr. Levin to inquire of the Maritime Administration for comment on this particular suggestion, to see what they say about it. You asked about the Secretary of Commerce having authority to lease to a private corporation suitable vessel or vessels for such project. You probably heard the testimony of the Secretary this morning.

As I say, I haven't been able to get any enthusiasm at this point for that kind of an operation, although I had a bill in to do it. And when that didn't look like it was going to go, I moved back to pick up what private industry had undertaken, through Isbrandtsen, and that is the genesis of the bill before us today. But that doesn't mean we can't expand it. If you haven't been able to get a comment out of them, Mr. Herbst, I will.

Did you want to make another comment, Mr. Atkins?

Mr. ATKINS. The only thing I wanted to add here, the gentlemen at the other end of the table, in regard to the type of ships, we have made an exhaustive study and a baby flattop was not just picked, shall we say, because they thought it was something that would be unique. The number of square feet available on a vessel will be very important to the economic feasibility of this whole program.

Now on the baby flattop we have 60,000 square feet of exhibit area, and when you figure this out mathematically as to the people that will be renting space, it works out in Mr. Herbst's cost figures, which we have on record here, that it is self-supporting.

Now you get some of the smaller vessels, which we looked into, some of the standard type of freighters or something, there just isn't enough deck space there to exhibit sufficient products to really make it self-supporting.

This is something that should be very carefully considered on this.

Senator ENGLE. Of course, when the Maritime Administration takes a look at this situation. I assume that is one of the considerations they would have in mind, whether or not you really had an economic proposition.

Thank you very much for your testimony. We very much appreciate it.

Mr. HERBST. Mr. Engle, I would like to give you an opportunity to look at an artist's rendering on the proposed flattop project if this would be acceptable.

Senator ENGLE. We can't make it a part of the record, but I will be glad to see it as soon as we close the hearings.

Mr. HERBST. Thank you. I would like to clarify one point. We are not asking for funds, we are asking for the title 11 Mortgage Guarantee Act to be revised or amended, so that a project of this nature would come under its scope.

In fact, private enterprise would be putting up the funds and all moneys would come from investments.

Senator ENGLE. I understand that. But I want to find out how the existing criteria would apply to this kind of operation and just where it would lead us. I think we ought to ask the Maritime Administration to make a comment on that. And also the Department of Commerce on what Mr. Johnson asks about.

I personally see nothing wrong with that. If you can get a ship out there, I can't see why your space isn't just as good as anybody else's. As a matter of fact, I always had the view you could really do more going port to port than you could by plunking an exhibit down in one place and having it sit there for a month. It seems to me that you could do more this way, especially when you look at the population concentrations of these areas, especially in the Pacific, in which I have a vital interest. They are right along the coastline, not in the back country at all. And I think that it is an economic way to do it. But what we have to do is first attempt the possible, and it is more important to take one step than it is to try to go a mile and not go at all. And that is going to be my postulate.

Mr. LEVIN. Mr. KURRUS was a former public counsel at Maritime. Maybe he has a comment on this.

Mr. KURRUS. I would like to make one comment about the availability of title 11 insurance.

As I understand it, and I have done quite a bit of work with the title 11 of the Merchant Marine Act of 1936, title 11 insurance would be available for a project that has been outlined to you, within certain frameworks.

In the first place, the person who was going to convert the ship would have to actually acquire the ship themselves. There isn't any statutory authority anywhere that the Secretary of Commerce or the Maritime Administration can acquire a ship and charter it to a private person. But if they acquired such a ship themselves, and then were to undertake the conversion of such a ship, whether it cost \$4 or \$5 million—our figures are it would cost something in the magnitude of \$5 million to convert it—they could get 75 percent title XI financing, provided they could prove the economic feasibility of the project.

Now the key to the thing is proving the economic feasibility. As I understand the testimony, they expect to make a lot of money with the ship, that it is going to be paid on a self-sustaining basis. If they can prove the economic feasibility of the project to the satisfaction of the Maritime Administration, within the framework of the existing title XI insurance act, they could get the title XI insurance both construction loan and mortgage insurance, and they could get, as I understand it, title XI insurance to the extent of 87½ percent of the actual cost of construction, insofar as a mortgage is concerned, and insofar as a construction loan is concerned, they could get 75 percent. That difference is that during the period of construction, as you understand, there are progress payments made to a shipyard and the Government will only insure 75 percent of the actual cost during that

period, but as soon as the conversion is completed, and the ship comes into being, a Maritime mortgage can attach, and then 87½ percent of the actual cost of construction could be covered by title XI insurance.

I really can't see the problem. I don't understand what the General Counsel told Mr. Herbst here, but it is my understanding they could get the title XI insurance if they could qualify. Of course they would have to prove a case. I haven't heard any case that the project is economically feasible, but assuming it is, assuming it were, they could get it.

Senator ENGLE. That is exactly what we want to find out. And we can't settle it here. I assume Mr. Herbst went down there and he apparently ran across a legal barrier some place, so we will find out about it.

Mr. HERBST. There is a ship that is presently available for use as in part a floating trade fair and that is our nuclear ship *Savannah*. I do know on one of my several visits to Maritime Administration it was proposed by Maritime that we undertake the possible investigation of the use of this ship for an exhibit ship. However, nothing has been done on this matter since the use of a nuclear ship lends much added controversy to the entire project and additionally as far as scheduling is concerned, it is not really possible to work out something simple for displays.

Senator ENGLE. We couldn't get the *Savannah*. They invited me to get on it and I have no objection to that, but from what I learned, they don't want to tote it around these other ports.

Thank you gentlemen very much for your testimony. It has been very helpful.

(Thereupon, at 12:03 p.m., the hearing was concluded.)

ADDITIONAL STATEMENT BY DEPARTMENT OF COMMERCE IN RESPONSE TO QUESTIONS
RAISED DURING HEARING

GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE,
Washington, D.C., July 30, 1962.

Mr. MORRIS LEVIN,
Staff Counsel, Senate Commerce Committee,
Old Senate Office Building,
Washington, D.C.

DEAR MR. LEVIN: Pursuant to your conversation with Mr. Turpin of this office I enclose the corrected transcript of the testimony given by Assistant Secretary Behrman before the Committee on Commerce July 23, 1962, on S. 3389.

During the course of the hearings three requests for supplemental information were made. There are attached supplemental statements as follows:

Attachment I.—A statement as to support the Department would be prepared to give to a privately operated floating trade fair, prepared by Mr. Scriven. This material was requested at page 70 of the transcript.

Attachment II.—A statement recapitulating discussions between Mr. Dana M. Herbst, president, American International Tradeship, Inc., and officials of the Maritime Administration. This matter was referred to at pages 60, 63, 77, and 78 of the transcript.

Attachment III.—A statement with respect to the possibility of lease by the Secretary of a suitable ship to a private mobile trade fair operator. This was referred to at page 75 of the transcript.

If we can be of further assistance, please call us.

Sincerely yours,

NATHAN OSTROFF,
Acting General Counsel.

ATTACHMENT I

If a commercially operated trade fair ship were to rent space, the Commerce Department would consider that space as a possible site for trade information booths such as the Commerce Department supports in various commercially operated trade fairs. Consideration would be given in accordance with priorities set by the Commerce Department for the expenditure of funds for such a purpose. The Commerce Department would recommend to the Foreign Service that the same help be given to the commercially operated trade ship as any business man or business group now receives in oversea locations; that is, the Commerce Department would transmit messages to the Foreign Service announcing the itinerary of the ship and suggesting that appropriate assistance be offered to the operators, as they are a U.S. business venture.

ATTACHMENT II

Several month ago, Mr. Dana M. Herbst, president, American International Tradeship, Inc., New York City, outlined to Mr. Roy H. Yowell, Chief, Division of Mortgage Insurance Contracts, Office of Government Aid, Maritime Administration, a proposal to purchase a "baby flattop" for conversion to a trade fair ship, carrying exhibits of American manufacture to various foreign ports with a view to promotion of U.S. foreign trade. Mr. Yowell orally advised Mr. Herbst that the purchase of the existing ship was not eligible for loan or mortgage insurance under title XI of the Merchant Marine Act, 1936, as amended, but that the costs of conversion to a commercial ship would be eligible for such insurance provided the project met the applicable statutory requirements.

Mr. Herbst did not submit an application for any type of Government aid as his plans were then in a formative stage. While it may be possible that the construction or reconstruction of a ship for trade fair purposes would be eligible for title XI insurance, there is no application pending for such aid, hence the question has not been submitted to the General Counsel, Maritime Administration, for legal determination.

ATTACHMENT III

The laws authorizing the Secretary of Commerce to charter vessels to citizens of the United States are concerned primarily with the chartering of vessels for operation on essential foreign trade routes or in the domestic (coastwise or inter-coastal) trades of the United States, after a hearing and on competitive bids. (See sec. 5, Merchant Marine Act of 1946 covering war-built vessels, and sec. 704, Merchant Marine Act, 1936, as amended, and secs. 7 and 12 of the Merchant Marine Act, 1920, covering non-war-built vessels.)

In special cases the Secretary of Commerce has broader chartering authority, as where a vessel is acquired by foreclosure of mortgage insured by the Government under title XI of the Merchant Marine Act, 1936, as amended, but we do not have any vessels of this category at the present time. (See sec. 1105 (d), Merchant Marine Act, 1936, as amended.)

Inasmuch as the use of Government-owned vessels for so-called mobile trade fair purposes is not an activity authorized by the Merchant Marine Act, 1936, as amended, section 207 of that act does not appear to provide the necessary authorization.

Accordingly, legislative authorization for the charter of Government-owned vessels for private operations of this nature would be required.

STATEMENT OF SENATOR JACOB K. JAVITS

The constant and diligent work of the Committee on Commerce on means to promote the expansion of U.S. exports has been and continues to be a major factor in the greatly improving efforts of Government and of business in this field. I believe that the initiative taken by Senator Engle in this bill and holding hearings on it represents a further, commendable step in providing carefully designed governmental devices through which the U.S. private sector can operate in the national interest.

Of course, our best efforts here in the Congress would come to naught, if it were not for the kind of imaginative and creative action exemplified by the Isbrandtsen Co. in forming Mobile Trade Fairs, Inc., and in enlisting other shipping lines and other private enterprises in this nonprofit project. It is for this

reason that I see in S. 3389—and in the further work that must go into it in order to make it into a precision tool for Government-private enterprise cooperation—an excellent and concrete example of the effective marshaling of our Nation's resources to meet the great challenges of our time. The final shape of this bill will be determined in the Congress by the needs brought out in the testimony of the executive branch and of private enterprise.

With this in mind, I should like to propose the following broad outline of the considerations which should go into the work on this measure:

(1) Some expenditure of dollar funds should be permitted in order to supplement the counterpart funds authorized in the bill. It is my understanding that counterpart funds in excess of normal requirements and suitable for the purposes of this bill are available in only nine countries. The potential use of mobile trade fairs should, in our own national interest, not be confined on such an arbitrary basis.

(2) Specific limitations in the amount of funds to be expended—both counterpart and dollar—and in the way funds are used should be written into the bill. I think that on the basis of the testimony given by the individuals who contemplate or are already administering programs which would make use of such funds, a practical framework of limitations could be constructed.

(3) The provisions of the bill should be drawn on the principle that the intent is not to subsidize U.S. business which is going into foreign markets but to defray those initial and marginal costs which, unless provided by the Federal Government, would prevent business from making its first move into such markets. This bill is not designed to cover ordinary costs of promotion and selling. Nor is it designed to cover the additional costs of doing oversea business, once these costs become the ordinary costs of carrying on such business on a continuing basis. The small funds made available by this bill should serve only as an incentive to get started. I suggest that some legislative language might be drawn to make this clear in the limitations on the use of these funds proposed in point No. 2, above.

I believe that the excellent testimony given before the committee indicates the great opportunities which could reside in the extensive use of mobile trade fairs. It is essential that U.S. business take advantage of these opportunities.

Not only must our present foreign markets be expanded and diversified, but footholds must be established in those areas of the free world where, although demand is still relatively small, the great markets of the future will be found. A practically unlimited potential for export expansion can be found in the future economic development of countries where more than 1 billion people live on a per capita income between 5 and 10 percent of the per capita income in Western Europe. Even now those poorer countries take some \$6 billion of our exports—nearly as much as the 300 million people in Western Europe.

But to have entry into those markets of the future, we must lay the groundwork now. We must start a taste for our goods, we must adapt our production to oversea markets—above all we must establish business relationships through which future expansion will be channeled.

I believe that S. 3389, properly revised, could furnish an important vehicle for the export expansion of which we are capable and I therefore urge the committee to consider it favorably.

STATEMENT OF SENATOR LEVERETT SALTONSTALL

Mr. Chairman, I am keenly aware of the present need to expand American export trade if we are to sustain and improve our economy now and in the future. The economic growth of Europe during the past decade, accomplished to a considerable extent by a pooling of the industrial and technological genius of the leading nations of that continent through the Common Market, has presented a new and unique challenge to the ingenuity and resourcefulness of the United States. Faced with keen competition from European manufacturing and commercial concerns, in addition to frequent unfavorable tariff barriers, the American businessman is challenged to the fullest in his efforts to compete and survive in the merchandising of his products in foreign markets. It is in the best interest of the U.S. Government that it provide technical assistance to the American businessman who desires to export his products to foreign markets for, in so doing, it will serve to materially reduce many of the financial and economic problems which confront our Nation at present. I believe that such assistance is vital; because of this, I have cosponsored legislation in the past to provide for such technological assistance.

Along with other members of the Select Committee on Small Business, I cosponsored a bill in the 1st session of the 87th Congress to encourage and promote the expansion through private enterprise of domestic exports in world markets. This bill was identified as S. 1379, and entitled "National Export Policy Act of 1961." A companion bill is found in Senate Joint Resolution 73, which I cosponsored with other members of the Select Committee on Small Business, in the 1st session of the 87th Congress, to promote the foreign commerce of the United States through the use of ships and other appropriate craft and motor vehicles for traveling trade fairs.

The proven commercial and industrial capabilities of this Nation conclusively establish that we possess the capacity to compete for foreign markets; it appears that the problem rests in the absence of proper and adequate facilities for the display of the products produced by American concerns as well as the technological know-how to compete in "new" markets. Correct this and American business will be able to compete and will be stimulated to compete for the foreign market.

It is my belief that S. 3389 is a complement to the recognized need for assisting American commercial and industrial concerns to export by furnishing them a means by which they can display and sell their products. S. 3389 affords a needed remedy to the problem of lack of stimulation and export sales competence among many for it provides that the expertise of the Department of Commerce, through the rendering of technical assistance, will be available to the operator or operators of mobile trade fairs provided for in the bill. This measure is a positive step forward; however, it is my view that consideration should be given to the incorporation into S. 3389 of pertinent provisions of the two measures to which I have referred, S. 1379 and Senate Joint Resolution 73. These measures complement one another; furthermore, a comprehensive and complete program would result therefrom which I believe is essential to the success of any export program to be stimulated through S. 3389.

It is vital to the success of any assistance program that its coverage be comprehensive and complete. This can be insured if provision is made for assistance to be rendered not only through the providing of physical facilities for the display of American products, but, also, through information and advice provided by competent departments of the Government.

The attractive and practical opportunity to display American products which can be afforded through the use of surface ships should not be ignored to be substituted by mobile trade vans or similar device. Both media are necessarily complementary to a complete program, not exclusive of each other. There are many advantages to the use of surface ships as display marts for American products: They provide maximum product exposure to potential customers in principal cities throughout the world without the inconvenience and expense of dismantling and reassembling exhibits; they avoid many of the transportation costs associated with overland travel and, importantly, solve many of the problems confronted in obtaining prime display space at industrial and commercial trade fairs. Finally, a floating trade fair would offer the opportunity to penetrate new markets previously inaccessible and unexposed to trade fair exhibitions.

I am of the opinion that in any legislation considered, its basis must be to render technical assistance to private enterprise which initiates or may desire to initiate a traveling trade fair program.

I believe legislation in this area is important, and I endorse the objectives to be achieved through a measure such as S. 3389. I would request, however, that due consideration be given by this committee to expanding its provisions in a manner such as has been mentioned. This will, in my view, produce a more comprehensive program of assistance essential to American business if it is to compete successfully in foreign trade.

VIEWLEX, INC.,
Holbrook, N.Y., July 18, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: Several years ago we became familiar with the program launched by the Isbrandtsen Steamship Co., Inc., known as mobile trade fairs, under which exhibits of American manufacturers were transported to various ports of call on a cost free basis.

At that time we contacted the Isbrandtsen Co. on behalf of the National Audio Visual Association, a nonprofit trade association made up of manufacturers of audiovisual equipment, language laboratory equipment, teaching machine equipment, et cetera. In other words made up of manufacturers of all types of teaching equipment and materials.

As chairman of a special committee, the writer was requested to sound out the Isbrandtsen people with the thought that an exhibition of school equipment and material would be of extreme interest and value, not only on a monetary basis, but on a public relations basis as well in many foreign countries.

We therefore urge the support of Senate bill S. 3389 and we hope that the National Audio Visual Association of Fairfax, Va., will have an opportunity of formulating one of the first exhibits to be sent overseas under this act.

Cordially,

M. R. ABRAMS.

SUDBURY LABORATORY,
Sudbury, Mass., July 19, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

MY DEAR SENATOR MAGNUSON: Bill No. S. 3389, calling for Government support of a program called mobile trade fairs, looks like a logical encouragement by the Government and private enterprise, to help the export business.

I hope that you will vote in favor of this bill.

Yours very truly,

H. J. ATKINSON, *Director.*

STEPHENS-ADAMSON MANUFACTURING CO.,
Aurora, Ill., July 11, 1962.

Subject: Senate bill S. 3389—mobile trade fair bill.

Hon. CLAIR ENGLE,
Senate Office Building,
Senate Commerce Committee, Washington, D.C.

MY DEAR SENATOR ENGLE: I would like to urge your favorable consideration to subject bill which would authorize the use of Public Law 480 funds to partially defray the expense of a permanent mobile trade fair to display American products abroad.

This company has participated in the mobile trade fair sponsored by the Isbrandtsen Steamship Co. during the past year, and for which Isbrandtsen received an "E" Award for their contribution to the expansion of American foreign trade.

Our past experience indicates that this type of good will and advertising of American products and know-how does more to create an image of American ability, integrity, and cooperation than any number of inexperienced diplomatic activities. We have received several inquiries from the previous effort, but more important, we have letters from our representatives and customers commenting on the excellent impression that this type of exhibit makes overseas.

If the permanent trade fair bill is passed we would expect to participate actively in exhibiting our products. We are one of the largest manufacturers of industrial ball bearings in the United States and also engage in engineering projects involving material handling equipment. Approximately 42 percent of our worldwide business is outside of the United States so we speak from experience when we say we are actively engaged in international trade and are interested in promoting American products and the American way of life overseas.

The authorized use of Public Law 480 funds will not result in a dollar drain and I think there is no better way for these local currencies to be used for the benefit of our country.

Yours respectfully,

ROGER W. BARTON.

HUPP INTERNATIONAL DIVISION,

HUPP CORP.,

Cleveland, Ohio, July 24, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SIR: It has been brought to this writer's attention that a new corporation has been formed in the city of New York by the name of Mobile Trade Fairs Inc. As we understand it, it will be the job of this new nonprofit institution to carry on the mobile trade fairs originated in 1961 by the Isbrandtsen Steamship Co.

We feel this is a most worthwhile cause deserving support from the Congress of the United States. This division of Hupp Corp. has participated in the appliance mobile trade fair which was carried by Isbrandtsen throughout the Middle and Far East in 1961. We found it worthwhile in the majority of cases although the display areas which were utilized in some cases were not satisfactory. Our distributors in these areas were quite pleased for the most part as to the results of the trade fairs and it is hoped that these will be extended to other portions of the world.

While the writer is greatly in favor of exhibits of U.S. products abroad, we are in favor of Government assistance only on a very limited basis. Let us clarify this by stating that, while U.S. industry would greatly benefit by the expanded display of U.S. merchandise, the steamship companies which would in the long run be carrying the merchandise from the United States would also be benefiting to a great extent. With the benefit being to all parties involved, it is our opinion that the steamship lines should definitely be responsible for a considerable expense of the trade fairs. The expenses for these fairs would, of course, be much less than the complete outfitting of a ship for world tour at the Government's expense but at the same time, many of the steamship companies expenses are only estimated and are not out of pocket. It is our opinion that mobile trade fairs are "services" offered to U.S. manufacturers by the various steamship companies. Should they desire to form a group such as they have done, this is all well and good for the ease of handling various displays and it is quite possible that a limited Government participation might be undertaken in connection with the Office of International Trade Fairs, the Trade Centers Division of the Department of Commerce, or as has been suggested under Public Law 480 excess funds.

We hope the above comments are of some use in regard to the mobile trade fairs and we certainly hope that they will be encouraged by the U.S. Government for the expansion of U.S. export trade.

Yours very truly,

EDWARD S. BENTHOFF, *Export Manager.*

JEROME J. BERGER AGENCY,

Miami Beach, Fla., August 17, 1962.

Hon. GEORGE SMATHERS,
Senate Office Building, Washington, D.C.

MY DEAR SENATOR SMATHERS: Referring to your letter of July 24 regarding the efforts of this office to produce a traveling exposition called Operation Goodwill, the following information is presented for inclusion in both the record of the Commerce Committee hearing on S. 3389, and the Congressional Record.

In 1959 the Jerome J. Berger Agency, duped by Fidel Castro into a belief that his Government was democratic, entered into an agreement to produce an industrial exposition for that Government. After 4½ months working closely with the Castro regime, we were firmly convinced that Castro, in truth, was following the Communist ideology, and presented a serious menace to the United States throughout Latin America. After several unpleasant experiences in Cuba, I began a series of meetings in Washington with officials in the State Department, Department of Commerce, and USIA in a concerted attempt to point out the Castro menace and take immediate steps to forestall the spread of his Communist influence throughout Latin America.

In meetings during October 1959 we presented a visual display proposing Operation Goodwill, a mobile trade fair, for presentation in 12 Latin American nations.

This proposal received enthusiastic verbal support from all branches of our Government, but we were unable to secure the basic financial support necessary to make the project a reality.

Considerable time and money was expended by this office in frequent trips to Washington to seek the necessary support from Government.

During this time a survey of 100 major industries in the United States indicated that 27 of the industries solicited would provide substantial financial assistance to Operation Goodwill, providing Congress would endorse the project and make funds available to make this a reality.

Subsequent meetings in Washington failed to have Congress act on this most essential project.

More than 3 years have elapsed since our initial efforts to point up the necessity for Operation Goodwill and today we find the Kennedy administration promulgating all of the basic contentions advanced by this office regarding the value of mobile trade fairs in Latin America.

A bill now pending before Congress, S. 3389, would provide the means for this office to proceed immediately with the production of Operation Goodwill and a further canvass of American industries indicates that there is overwhelming support for this project. Government officials also appear most anxious to proceed with this type of promotion, particularly in Latin America.

Mobile trade fairs will offer diverse American products financial benefits gained by firms participating, visitors attracted from many nations

What the typical exhibitor in Operation Goodwill will look like:

First of all, he will be considered "average" small business—about 60 percent of the exhibitors will have a net worth of less than a million dollars.

Second, the exhibitor in most cases will be exhibiting for the first time and have his first marketing experience abroad in the hungry markets overseas for "spot" sales and a waiting market.

Third, the averaging American exhibitor comes to the fair seeking a specific market as well as specific marketing information and perhaps contracts and representation for his wares in these new markets.

Fourth, the manufacturer will have firsthand knowledge of whether his products have made a dent in the minds of buyers and agents who come to the trade fair to see them on display.

Fifth, it is anticipated that the exhibitors who have stayed away from the foreign markets because they lacked the know-how of making proper contacts will reap huge financial benefits from the mobile trade fairs, and it's quite possible that through these mobile trade fairs a company can obtain sales to account for more than 10 percent of his production of total sales with new orders taken and new contracts.

For the small businessman who has long sought a quick, convenient and inexpensive way to display and sell products to buyers in other countries this is the perfect medium.

Besides being a commercial showroom, this provides, promotional facilities that allow a firm to test products in markets where demand for American products is combined with dollar resources to pay for them.

Balance-of-payment problems, as well as the U.S. role of leadership in the free world's economic policies require that sales be profitable, as important in Uncle Sam's ledger books as his in the home office or of each exhibiting American company.

There is no set formula for successful foreign sales. Generally speaking, however, most firms choose among three methods:

Direct export.

Indirect export sales, through an export sales agent.

Manufacturing abroad, usually through a licensing arrangement.

Whatever the method, the mobile trade fair can be credited with functioning as a testing ground and providing the germ of the solution.

Mobile trade fairs will be the bridge to bring in the small manufacturer to project his merchandise as the fair will take orders for him eliminating maintenance and shipping costs, providing, of course, Congress will sustain these costs.

We must be mindful of the basic needs of new markets for American-made goods. Our Government has given more of its time and money to project and reflect an accurate image of American life, and no effort to sell American-made goods.

Mobile trade fairs

The main objective is to sell American goods in the marketplaces of the capital cities. These trade fairs will visit like a traveling show—actually peddling visually on the scene the goods manufactured in the United States.

American industry has overlooked this type of trade technique for booking orders in the past because of its unbearable cost of shipping exhibits and maintenance. However, trade fair operators have shown the mobile trade fairs will succeed in introducing American companies to trade fairs for the first time. And the prime targets are in Latin America. From past experience we are convinced that American business can successfully increase its activity and whose sole purpose is such increase in American goods opening new markets in the Latin American countries and making more jobs available in the United States of America as a result. Target in gross sales—\$100 million, the first year, \$150 million, the second year.

Senator Smathers, as an expert in Latin American affairs, you are thoroughly familiar with production activity of the Jerome J. Berger Agency during the past 18 years, during which time we have produced shows throughout the world, including work as a consultant with the Brazilian Government in the fall of 1954, when that Government was preparing plans for an industrial exposition.

We are now alined with several Latin American experts who are working in the field of merchandising and marketing, completing plans for Operation Goodwill, and who are fully aware of the business needs of the Latin American business communities and their thinking.

It is our contention that American business has neglected or lost the personal and basic knack of peddling their wares, particularly in Latin America. The successful distribution of our goods must have the fundamental "merchant instinct" of service which can be fostered in Operation Goodwill. There is no substitute for aggressive salesmanship to once again place our Latin American trade in better dollar balance.

Operation Goodwill cannot be produced without the help of Congress and the American business community awaits such definitive action from Congress with a watchful eye.

Respectfully submitted.

JEROME J. BERGER.

ITT EXPORT CORP.,
New York, N.Y., July 20, 1962.

HON. CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR ENGLE: Please permit me this opportunity to express to your committee my appreciation of your efforts to promote American exports. The bill you have introduced calling for Government support of the Mobile Trade Fairs, Inc., is another step toward selling America and American products to other nations.

In today's competitive world market the American businessman, as well as the U.S. Government, must find ways and means to overcome the competition which will surely become keener with each passing day. Therefore, lending our support to a program such as the Mobile Trade Fairs, Inc., is a must.

I earnestly hope that your committee will be successful in its endeavors.

Yours very truly,

J. J. BISHAR, *Vice President.*

THE SEAMLESS RUBBER Co.,
EXPORT DIVISION,
New Haven, Conn., July 17, 1962.

HON. WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: It is our understanding that Senator Clair Engle has introduced bill S. 3389 calling for Government support of an expansion of the mobile trade fairs program to a worldwide basis.

Considering that this concept of export marketing has proven so successful since its launching about 2 years ago by Isbrandtsen Co., Inc., it is our feeling that everything possible should be done to enact bill S. 3389 as an important aid in expanding U.S. exports, now more necessary than ever to improve the U.S. balance-of-payments position.

Sincerely yours,

H. H. BOHLMANN, *Export Manager.*

ANETS INTERNATIONAL, INC.,
Northbrook, Ill., July 12, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: Since we have been somewhat acquainted, even though remotely, with the Isbrandtsen Co. mobile trade fairs program, we feel that this program should be expanded so as to create better demand for American products abroad, resulting in a more favorable trade balance.

Sincerely yours,

A. M. BORNHOFEN, *President.*

BRIGGS MANUFACTURING Co.,
EXPORT OFFICE,
New York, N.Y., July 10, 1962.

Subject: Senate Bill S-3389—Mobile Trade Fairs.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: We have read your bill No. S. 3389 (mobile trade fairs) with considerable interest and highly recommend passage of same without further delay in order that the fair officials may immediately put into action the goals set forth for expanding American exports throughout the world.

The Briggs Manufacturing Co., manufacturers of sanitary fixtures and fittings, were honored to participate in the building materials display recently completed by the Isbrandtsen Mobile Trade Fair. We have received considerable inquiries from the various ports visited and feel confident that good business can be developed through this type of exhibit and advertising. We feel even more confident that when this fair is extended to other areas in which our products are more acceptable, additional business will develop.

We feel quite strongly that this type of fair is one of the best methods devised to display our products abroad with the most results.

We heartily recommend approval of bill S. 3389 and trust that same will be passed without delay.

Yours very truly,

J. B. BORRECA.

W. BRAUN Co.,
Chicago, July 13, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR: I would like to take this opportunity to express my approval of bill S. 3389, and trust that your committee will give it favorable action during the hearings, to be held at the end of the month.

There is no doubt in my mind that projects such as this one will prove to be one of the key movers in helping to bring a world that all of us hope to live and work in.

I remain with many thanks for any consideration that you can give to this.

Sincerely,

MORRIS BRAUN.

BELL & GOSSETT Co.,
EXPORT DIVISION,
Midland Park, N.J., July 18, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SIR: Although we have not had an opportunity to avail ourselves, up to the present time, of the facilities of the mobile trade fairs program, we plan to utilize this service in the future, as it is our firm belief that such exhibits provide a very important method of expansion of U.S. exports.

It is requested, therefore, that favorable consideration be given to bill S. 3389, introduced by Senator Clair Engle, for assistance to organizations providing mobile trade fairs facilities.

Some of our foreign competitors are many strides ahead of the United States in such promotional activities, and every effort should be made for us to regain the ground which has been lost in the past through the lack of such a sales aid being made available to American manufacturers.

Respectfully submitted.

Very truly yours,

DONALD C. BROADWELL, *Export Manager.*

A. E. CHEW & Co., INC.,
New York, N.Y., July 12, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: We believe that the mobile trade fair program can be a great help in reviving U.S. export sales which will become such an important part of our economy in the future if we are going to maintain our prosperity.

Our company are exporters of food products and have 45 years' experience, and we think we can state with some basis in experience that this kind of promotion is effective and worthwhile and will benefit the country significantly.

I hope very much that this bill will have the support of you and your committee.

Yours very truly,

RALPH H. CHEW.

WALL COLMONOY CORP.,
Detroit, Mich., July 16, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: Mobile Trade Fairs, Inc., brought to my attention the bill introduced for the Government's support of a program of international trade fairs particularly the mobile trade fairs.

Isbrandtsen Co. contacted us when they inaugurated this program and we were vitally interested and felt that this was an ideal way to get our products before the various countries in the world.

We are in the export business, however, for the past few years we have been attempting to expand this.

We did not take advantage of Isbrandtsen's offer at the time due to other commitments of displays and our budget had been used up.

We have followed this program quite closely and would definitely be interested in this type of industrial trade fair.

From foreign travel and reports received, the German, Japanese, and Russian Governments have sponsored trade ships which while they apparently are effective, they are very expensive both to the Government and to industry. It appears the mobile trade fair is a most economical and most effective method to introduce U.S. products in foreign lands.

Sincerely yours,

W. P. CLARK, *President.*

ADELPHI PAINT & COLOR WORKS, INC.,
Ozone Park, N.Y., July 2, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

HONORABLE SENATOR ENGLE: As export manager of this company, both our company and myself would like to place our names on record as strong supporters of Senate bill S. 3389 sponsoring Government assistance to mobile trade fairs.

As a small business, employing under 100 persons, we lack both the personnel and the traveling and promotional budgets necessary to engage in lengthy overseas trips for the introduction and sales development of our products. We were participants in the original Isbrandtsen Mobile Trade Fair, building material section. We were astounded at the broad exposure given our products in numerous foreign markets. Our cost was only the preparation of the display booth.

Substantial inquiries and orders were consummated in markets where we were not represented: Lebanon, Singapore, Malaya, and Pakistan. The Isbrandtsen Co. and their executives have shown the daring and imagination necessary to stimulate and expand the demand for American products in overseas markets.

American companies of tremendous scope do not necessarily need assistance of this type as they are well equipped to expand in export fields through extensive overseas travel, own offices abroad, licensing, etc. Our experience has shown that the small manufacturer is inadequately equipped to engage in the type of promotion necessary to widely broaden his base of operations. However, the mobile trade fair allows the small manufacturer to display his wares in many parts of the world at a very nominal cost.

We cannot too strongly urge that the Federal Government support this program, as a specific concrete aid to all members of the exporting community. This expansion will assist all our joint efforts to reduce our outward flow of gold. Through additional sales of American products, our American merchant marine will then be in a position to maintain itself on a more self-liquidating basis.

Respectfully yours,

E. A. CLINE, *Export Manager.*

AEROQUIP CORP.,
Jackson, Mich., July 12, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR ENGLE: We recently had the opportunity to review Senate bill S. 3389 introduced by yourself in support of a mobile trade fair program for the promotion of foreign commerce. Our compliments, Senator, on the position taken. We would also like to add a few comments on our experience with this type of program in order that they might be incorporated in committee records.

Our firm is vitally interested in the opportunities for export expansion and we share the view of many that the markets abroad offer virtually untapped sales possibilities to a very large percentage of U.S. industry. Recent publicity is doing a good job in bringing about an awareness of these opportunities, but obviously many and varied programs are required to implement them. One such program which we felt very fortunate to participate in was the Isbrandtsen Industrial Mobile Trade Fair.

Aeroquip Distributors in Beirut, Bombay, Singapore, and Hong Kong reported an excellent turnout and interest with ample opportunities to discuss and promote our products with prospective customers. Individually, our distributors could not hope to attract a group of this type nor could we, as an exporter, participate actively in international expositions to the degree made possible by the mobile trade fair itinerary.

Additional favorable response was received in all other countries not covered by our established representation with the exception of two locations. We are also pleased to report that franchise arrangements were recently completed with a new distributor in Taiwan as a direct result of the visit to that area.

Usage of trade show-type merchandising is quite basic with our company in the United States and the results gained here were very definitely duplicated abroad. It is therefore naturally our hope that there will be further opportunities for a continuation of the mobile trade fair idea. Your proposed bill of course will implement this possibility and we assure you of our support for it.

For your further reference, we have taken the liberty of attaching a copy of our company magazine, the "Flying A," which carries a feature story on the Isbrandtsen program on page 13.

Sincerely yours,

GENE DERR,
Manager, Export Sales, Industrial Division.

THE SANDERSON CYCLONE DRILL CO.,
Orrville, Ohio, July 17, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

YOUR HONOR: Last year the Isbrandtsen Co., whose representative calls on our firm regularly, brought to our attention the mobile trade fair, available to U.S. firms, in order to show their products to buyers in foreign countries.

We are a small business with limited capital and personnel, and are unable to travel sales personnel in various countries to promote our products. We liked this idea of mobile trade fair. This would be an ideal way for small businesses to improve their position in the export market.

We have enclosed a mimeographed copy of letter, written to Western Reserve University in Cleveland, Ohio. This institution was asked by Small Business Administration to make a survey of small manufacturing firms. We were selected, along with several others in the Cleveland region. With the survey, we were asked for an outline of our ideas as to the problems and future of small business. We pass this along for what it may be worth.

Very truly yours,

A. A. DOWNEND, *Vice President.*

COMMITTEE OF AMERICAN STEAMSHIP LINES,
Washington, D.C., July 6, 1962.

HON CLAIR ENGLE,
U.S. Senate,
Washington, D.C.

DEAR SIR: At a recent meeting of the Committee of American Steamship Lines (CASL), there was extensive discussion of your bill, S. 3389, designated to promote the foreign commerce of the United States through the use of mobile trade fairs.

For over 6 months CASL Lines have been studying the best method of using mobile trade fairs to promote American exports. After a careful review of your bill, there was unanimous agreement among our company presidents that it embodies the most practical concept for getting effective mobile trade fairs in operation quickly.

On behalf of all CASL Lines I was requested to write to you and express our appreciation of your interest in this program.

Enclosed is a copy of a brochure setting out a mobile trade fair program which has already been undertaken by four of our member lines. The success of this program will depend, in large measure, upon our securing Government cooperation such as that proposed in your bill.

Respectfully,

J. D. DURAND.

NATIONAL CASTINGS CO.,
TRANSPORTATION PRODUCTS DIVISION,
Cleveland, Ohio, July 17, 1962.

HON. WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: We have viewed with interest the Isbrandtsen Co.'s mobile trade fair since its inception. It seems an ingenious idea for accomplishing, in part at least, our ailing goals of increased sales abroad, thus an improved balance of payment position and presumably a healthier merchant marine. These are goals which seem imperative to the continuation of a militarily strong and an economically healthy United States.

We understand that the Isbrandtsen Co. has turned this program over to a nonprofit organization entitled "Mobile Trade Fairs, Inc.," and that it is their intention to expand the operation extensively by bringing other American-flag operators in, thus securing access to many new and varied ports. This should prove to be a very profitable move for all of us based on the success of the original venture.

Financing such a program is always a difficult problem and we were pleased to learn that Senator Clair Engle has introduced bill No. S. 3389 which calls for Government support. It is also understood that funds may be available through section 104(m) of Public Law 480.

Regardless of the means, we would like to encourage governmental support for the work to be done by Mobile Trade Fairs, Inc.

Very truly yours,

D. W. DUVAL,
Advanced Products Section.

OSHKOSH MOTOR TRUCK, INC.,
Oshkosh, Wis., July 17, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR ENGLE: It has been brought to our attention that you have introduced bill S. 3389 in the Senate of the United States, to promote the foreign commerce of the United States through the use of mobile trade fairs.

Our firm was one of the first participants in the automotive contingent of Isbrandtsen's mobile trade fair, initiated in 1960. Prior to that time we were exporters more by accident than by intention; we had no organized sales efforts for other than domestic markets. Currently we have one sales employee devoting his entire efforts to personal contacts and sales of our products in Latin America, and another residing in Beirut covering areas in the Middle East and North Africa.

We cannot attribute the above recent changes to the effects of increased sales through participation in Isbrandtsen's mobile trade fair; we do attribute those changes directly to an increased awareness of the tremendous export potential available to American manufacturers who are willing to exert the time and effort to develop that market. Our participation in Isbrandtsen's mobile trade fair contributed greatly to that increased awareness.

It is our opinion that a mobile fair exhibit does not produce direct sales to a manufacturer, but it does produce interest and inquiries which will ultimately lead to sales. The fact that the exhibit is transferable contributes tremendously to its effectiveness since its location can be selected to coincide with other trade fairs, conventions, conferences, etc., when the exhibit can be expected to have its greatest exposure. This system of displaying products should appeal to a majority of U.S. manufacturers since the one display can be shown to several market areas whereas "static" displays are confined to its one location.

We are convinced that the mobile trade fair idea contributes greatly to interest in American products which ultimately can be developed into increased U.S. exports. We therefore subscribe to the text of bill S. 3389 and we sincerely hope it is enacted.

Yours very truly,

JOHN S. EID, *Sales Department.*

GENERAL BATHROOM PRODUCTS CORP.,
Chicago, Ill., July 3, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

Good morning.

Through the displaying of merchandise in the mobile trade fair, we have reached potential customers that we have not been able to interest through direct mail advertising.

We have received many requests for information and literature from ports where the mobile trade fair was seen and have established representation in at least one area (and in the process of two more areas) which we know will bring us increased export business.

It is our sincere hope that these mobile trade fairs will be expanded, and that Senate bill S. 3389 will be ratified.

We would appreciate your incorporating our letter in the record of the Senate committee.

Thank you.

Very truly yours,

JERRY EPSTEIN, *Vice President, Sales.*

A. O. SMITH INTERNATIONAL, S.A.,
Milwaukee, Wis., July 19, 1962.

Re Promotion of foreign commerce through mobile trade fairs

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: It has been brought to our attention that the Senate Commerce Committee will conduct hearings on bill S. 3389. The purpose of this bill is to promote foreign commerce of the United States through the use of mobile trade fairs.

Our company would like to go on record as supporting this bill. During the past year we participated in the Isbrandtsen Mobile Trade Fair which carried American products to the Middle and Far East. We found this to be a most practical and effective way to display our products and to help promote our export efforts. The mobile trade fair as proposed in bill S. 3389 would provide for worldwide promotion and therefore is an even more effective means of furthering American export efforts.

Yours very truly,

R. M. ERBLAND, *Marketing Staff.*

ARKON PRODUCTS, INC.,
Paterson, N.J., July 12, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: Arkon Products is one of the two major manufacturers of commercial fishing floats in the United States. We have been conducting a very extensive campaign to increase our foreign business.

We have found the services of the U.S. Department of Commerce extremely helpful in trade surveys, by subscribing to their "Weekly Foreign Commerce" and other assistance which they have given us.

We would like to go on record as supporting bill S. 3389 calling for Government support of the mobile trade fairs program on a worldwide basis. Such assistance can only have a beneficial result to individual companies in the United States and the country as a whole. We would appreciate anything you can do to assist this program.

Very truly yours,

EDWARD G. FEDDEMA, *Vice President.*

ONAN, DIVISION OF STUDEBAKER CORP.,
Minneapolis, Minn., July 26, 1962.

Mobile trade fairs.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: Upon return from my trip through east Asia, I noted with extreme interest that Senate bill S. 3389 had recently been introduced into the Senate whereby the Secretary of Commerce and his Department would encourage the development organization and use of mobile trade fairs to increase the exports of the United States throughout the world.

Having seen the Isbrandtsen Mobile Trade Fair in action in southeast Asia, I must say that I was tremendously impressed with its effectiveness and its impact upon peoples in that area. Under the circumstances, I would like to go on record saying that I am in complete favor of this bill which I feel can only enhance our position abroad. Therefore, it will be appreciated if you will arrange to incorporate this letter into the record.

While we are represented by local areas in which the trade fair has visited, our people did indicate in each instance that the results of these Isbrandtsen Trade Fairs were most satisfactory to them. It was, in many instances, the first occasion many of the people had to see one of our generating plants in operation. I might point out at this time that our participation in the fair was to supply an Onan generating unit to provide electrification for the trade fairs in the various ports of call.

In the event there is any further support that I can provide for Senate bill S. 3389, please do not hesitate to write.

Sincerely,

F. M. FITZPATRICK,
Onan Product Manager, Studebaker International.

HYSTER Co.,
Peoria, Ill., July 13, 1962.

Subject: S. 3389; mobile trade fairs.

HON. WARREN MAGNUSON,
U.S. Senate Washington, D.C.

DEAR MR. MAGNUSON: Since mobile trade fair legislation is being introduced we are obligated to outline our experience in connection with the fourth contingent of the Isbrandtsen Mobile Trade Fair program.

Having read trade journal accounts of the Isbrandtsen effort we inquired of them in mid-1961 as to how we could participate. Since forklift trucks are a prime product of our manufacture, we believed the mobile trade fair would be an ideal showcase for one of our machines. Rather than asking for a display exhibit within an aluminum container, our thought was to provide a machine which would move the containers at the various ports of call.

We were delighted when Isbrandtsen favorably considered the idea and immediately worked out details to provide an appropriate lift truck. Our dealer organizations were notified of the purpose of the mobile trade fair and each made his plans accordingly. Several dealers set up showings of the machine in the mobile trade fair general display areas. This usually was preceded by advertising in the local press.

The point we are calling to your attention, however, is the fact that we sold this machine as a direct result of the mobile trade fair program. An \$11,500 sale was made on the Hong Kong docks because a potential customer saw our product in action and knew he should have it. Through the thoughtful efforts of a Mrs. Hutchenson and Mr. Edward S. Garey in the Department of Commerce we were able to secure an official release from Commerce to permit the machine to leave Isbrandtsen's fourth contingent.

By the time necessary documentations could be made, the Hyster lift truck had proceeded to Keelung, Taiwan, but our potential customer still wanted to buy the machine. The precious Department of Commerce release was received and—in a matter of hours—the machine was back in our Hong Kong dealer's hands.

We are confident that a sale would not have been made if the lift truck had not been there to be seen and evaluated.

We believe the gratifying conclusion to our participation in the fourth Isbrandtsen contingent is a rather impressive testimonial for the effectiveness of the mobile trade fair concept. We are one American exporter who materially benefited in specific and—in a very modest way—our U.S. balance of payments benefited in general.

Very truly yours,

LEE FLEGEL,
International Division.

ZERO-MAX INDUSTRIES, INC.,
Minneapolis, Minn., July 25, 1962.

Subject: Senate bill S. 3389.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: We have recently learned that a bill is before the Senate Commerce Committee which will assist in the development of mobile trade fairs similar to those which have recently been sponsored by Isbrandtsen. As participants in these and beneficiaries of them, we urge you and your commit-

tee to take favorable and speedy action on this bill so that this important work in the expansion of U.S. trade abroad can move ahead.

The recent exhibit traveled around the world and has produced for us more than 50 inquiries and 2 new distributors for our products. We have specific orders which we can trace to this and are convinced that this is a most effective means of spreading the word about the U.S. products.

Yours very truly,

RICHARD G. GRAY, *President.*

AFL-CIO MARITIME COMMITTEE,
Washington, D.C., July 31, 1962.

HON. CLAIR ENGLE,
Senate Committee on Commerce, U.S. Senate,
Washington, D.C.

DEAR SENATOR ENGLE: The promotion of American commerce abroad, through mobile trade fairs or floating trade fairs, is an excellent idea and worthy of the support of everyone sincerely interested in increasing our export sales and the reduction of the unfavorable balance-of-payments deficit.

The increasing possibility that the United States will join in the Common Market makes this idea more necessary and urgent in promoting our sales abroad. Now, at the very beginning, is the time for American business to make the pitch for the new markets. We are fearful that if time is lost the markets will also be lost.

The percent of American producers that export overseas has been quoted as low as 4 percent. With very little effort this could be increased considerably. There are many potential world markets, as the Isbrandtsen Steamship Co. demonstrated in the trade fair exhibits.

There are very few corporations, primarily the large ones, that have either facilities or the know-how to enter the international market. The trade fair concept envisioned here, provides, at an extremely small cash outlay, the opportunity for the majority of American producers to compete for foreign markets.

The amount of our imports and exports carried in our flag ships continues on the decline. In 1961, for example, U.S.-flag ships carried only 5.6 percent of the import-export commercial cargo. These trade fairs do not include a written guarantee that the increased cargo will travel on U.S.-flag ships. It does, however, give the U.S.-flag carriers the inside track for securing the cargo. It is most appropriate that our merchant marine be the vehicle in exhibiting and promoting our commerce overseas.

We commend you and the committee on your foresight and efforts in attempting to promote the foreign commerce.

We urgently request that the Senate Commerce Committee act favorably on the noncontroversial proposal—S. 3389.

We agree with you that we must learn to walk before we learn to run. This legislation is just that—the first phase of what we hope will eventually be an extensive program of promoting American goods and products.

The enthusiastic testimonials praising Isbrandtsen's efforts in their mobile trade fairs, and the positive benefits derived from these exhibits by the participants, is proof positive of their value.

We ask that the foregoing comments be made a part of the record.

Respectfully yours,

HOYT S. HADDOCK,
Executive Secretary.

AJAX MAGNETHERMIC CORP.,
Trenton, N.J., July 16, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR ENGLE: As a company who has participated in the mobile trade fair, we are pleased to know of bill No. S. 3389 which you have introduced. We are very much interested in seeing the mobile trade fair program extended to a worldwide basis, and therefore are very much in favor of the bill which you have introduced.

Very truly yours,

C. C. HANSON,
Vice President and General Manager.

AMERICAN BILTRITE RUBBER CO.,
EXPORT DIVISION,
Chelsea, Mass., July 24, 1962.

In re Bill S. 3380.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee, Washington, D.C.

DEAR SENATOR MAGNUSON: It has been brought to our attention that your committee will conduct hearings on bill S. 3389, which is a bill to promote the foreign commerce of the United States through the use of mobile trade fairs.

Being a business of international scope, we request that our letter be incorporated into the records of the Senate Commerce Committee hearings to be held in Washington the latter part of July.

We had the opportunity to place a display with the Isbrandtsen Mobile Trade Fair building materials. This display traveled to many ports throughout the world and we are pleased to advise you that we received numerous inquiries from interested parties in Beirut, Lebanon, Bombay, Hong Kong, Singapore, Keelung, and Pusan. Due to the stopover of this mobile trade fair in Bombay we were able to appoint a representative in India to handle our products.

Our products have been specified for various installations in Hong Kong and we are certain that volume business will result in the coming years because of our participation in the mobile trade fair.

The mobile trade fair has given us the opportunity to show our products in an attractive and appealing manner that would be almost impossible otherwise. From the inquiries we have been receiving, the people who visit the mobile trade fair are those who are definitely interested in our products and these people represent companies who, we feel certain, will purchase materials from us in due time.

We request that bill S. 3389 be enacted so that a program of mobile trade fairs can be carried out which will display the products of U.S. manufacturers in cities and countries throughout the world.

Yours very truly,

HENRY M. HOOVER, *Export Manager.*

WESTINGHOUSE ELECTRIC INTERNATIONAL Co.,
New York, N.Y., July 16, 1962.

Senator WARREN MAGNUSON,
*Chairman, Senate Commerce Committee,
Washington, D.C.*

DEAR SENATOR MAGNUSON: I have recently been advised that the Isbrandtsen Co. has turned over to Mobile Trade Fairs, Inc., the program which it originated of carrying U.S. products displays to various ports around the world.

Having been somewhat intimately acquainted with this program from its inception, enhanced through participation in one of the early exhibit units, I would like to take this opportunity to notify you in your role as chairman of the Senate Commerce Committee that we regard the program as extremely valuable.

While I cannot point to specific inquiries which resulted from our exhibit I know from comments received from various sources that the exposure of our products in this fashion was highly worthwhile.

I would be wholeheartedly in favor of its continuation and expansion and of any support which might be given to it by the Government.

Very truly yours,

JOSEPH A. JAEGER,
Director, Sales Promotion and Advertising Division.

SIMPSON TIMBER Co.,
Seattle, Wash., July 13, 1962.

Senator CLAIR ENGLE,
*Senate Office Building,
Washington, D.C.*

DEAR SENATOR: As part of a general national effort to promote exports of all kinds, we feel that the nonprofit corporation known as Mobile Trade Fairs, Inc., and the program of trade development suggested by your Senate bill S. 3389 deserve widespread support and we do wish to encourage other people in our industry to support your measure.

Our international department which is endeavoring to develop markets for wood products all over the world credits its initial experience with mobile trade fairs as responsible for helping us get business associations in Hong Kong, Malaya, and the Middle East.

Sincerely,

DAVE JAMES,
Director of Public Affairs.

CRESCENT TOOL CO.,
Jamestown, N.Y., July 18, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR: As one of the original participants in the mobile trade fair instituted by the Isbrandtsen Co., Inc., a year ago, we enthusiastically advocate the continuance and expansion of mobile trade fairs.

Crescent Tool Co. has been recognized as a leader for the past 55 years in the small handtool field in this country ever since it developed the original Crescent adjustable wrench.

For the past 50 years, we have actively promoted the sales of our tools in overseas market so that today 20 percent of our entire production is shipped to some 50 to 60 overseas territories each year.

The high ratio of our exports in relation to our domestic sales is more significant when one realizes that Crescent tools are the highest priced tools in this country as well as overseas and in spite of this fact our export sales during the past half century have continued to increase each year.

It is only natural that after 50 years of consistent exporting we would have developed our own export connections. However, as a result of the mobile trade fair we did receive several inquiries from territories in which we had no representation.

The mobile trade fair also enabled many of our export representatives and the various ports of call to take prospective customers direct to the Crescent displays to see the actual tools themselves. This was possibly one of the most tangible and effective results of the fair.

We are located in a community of some 40,000 inhabitants, 400 miles inland from New York City or any seaport and the fact that our export sales volume alone gives some 125 individuals their livelihood is a most important factor in our community.

It is our desire to continue to expand our export activities and we feel that the mobile trade fairs do present this opportunity.

Very truly yours,

S. F. JONES,
Vice President, Sales.

HALE FIRE PUMP CO.,
EXPORT DEPARTMENT,
Philadelphia, Pa., July 20, 1962.

Subject: Senate bill S. 3389.

Hon. WARREN MAGNUSON,
Senate Commerce Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: As participants in the industrial machinery exhibition of mobile trade fairs, we are in a position to comment favorably on this concept of expending American exports. Based on our firsthand experience we urge favorable action on the above bill.

The above exhibition has enabled us to display our FZZ "Hale" pumping unit with photographs of other Hale products in the ports of Alexandria, Egypt; United Arab Republic; Beirut, Lebanon; Karachi, Pakistan; Bombay, India; Singapore, State of Singapore; Victoria, Hong Kong; Keelung, Formosa, as well as Pusan and Seoul, Korea.

Since our pumps were not too well known in Egypt, Lebanon, Pakistan, India, Hong Kong, Formosa, and Korea, this exhibition permitted us to introduce our products in these difficult-to-sell areas. There is a tendency in the majority of these markets to want to actually see and touch an item before purchase. This sort of exhibition satisfies that buyer characteristic which cannot be met by usual advertising methods or personal visits as commonly employed for export sales of machinery lines.

Without exception, where we had local representatives they commented most favorably on our participation in the exhibition. The local trade reports and information media we have read were also favorable. In the State of Singapore and Federation of Malaya where we have very active distributors, this exhibition permitted them to order the FZZ pump in increased quantities due to the interest and demand created. In Korea, our representatives were impressed to share in the cost of transporting the exhibit from the port of Pusan to Seoul for the industrial exhibition in the Korean capital from April 20 to May 31 of this year. This exhibit like most in the Far East was very well attended.

The areas covered by our exhibit were for the most part those having limited purchasing power and great lack of firsthand knowledge of many American products. A regular mobile trade fairs program covering major world ports could, in our estimation, produce very worthwhile results for the American export trade expansion program.

We ask that this letter be incorporated in the record of the Senate Commerce Committee. Thank you for your consideration and support.

Very truly yours,

J. E. KEATING, *Export Department.*

SLOAN VALVE Co.,
Chicago, Ill., July 13, 1962.

Re Mobile Trade Fairs, Inc.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR ENGLE: The Sloan Valve Co. was a participant in the mobile trade fairs, sponsors by the Isbrandtsen Steamship Line.

We can only say that we have had excellent results from these mobile trade fairs. Actual orders have been placed in Lebanon; we are negotiating with some fine companies in India; as well as some importers in Korea; all as a result of our exhibit in the trade fairs.

Isbrandtsen Co., in our opinion, did an outstanding job on this, and there is no doubt that in today's competitive markets exhibits of this kind are a very definite help.

Yours very truly,

T. C. KOHL, *Export Manager.*

PLYMOUTH UNDERGARMENT Co.,
New York, N.Y., July 10, 1962.

HON. WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Senate Office Building,
Washington, D.C.

SIR: We are one of the leading manufacturers of ladies' lingerie in the United States, and we are very much interested in the mobile trade fairs promotion.

We would like to participate in this program and therefore urge you to put your efforts toward the passage of bill No. S. 3389 as introduced by Senator Clair Engle.

Thank you for your kind consideration and cooperation.

Yours very truly,

CHARLES KORNBLAU, *Export Manager.*

ANEMOSTAT CORP. OF AMERICA,
New York, N.Y., July 17, 1962.

Subject: Mobile trade fairs.

Hon. WARREN MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SIR: It is our understanding that the Commerce Committee will conduct hearings on bill No. S. 3389, introduced by Senator Clair Engle.

This bill calls for Government support of a program known as mobile trade fairs, which was originally instituted by the Isbrandtsen Co., Inc. The

mobile trade fairs has had our enthusiastic support from its initiation, and we believe that it is one of the most effective and dramatic ways to place products of the American industry on the world market.

Anemostat Corp is looking forward to the activation of the particular category designated as air conditioning and refrigeration equipment. We are anxious to participate in this activity, as we feel confident that this program lends itself effectively to the promotion of our export trade. We therefore respectfully recommend and request that your committee support the approval of bill No. S. 3389.

Very truly yours,

W. A. KURNIK, *Export Manager.*

CLARK GASKET Co.,
Chicago, Ill., July 19, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SIR: I strongly urge that every effort be made to approve Senate bill S. 3389 which was introduced by Senator Clair Engle.

Our company had the good fortune to be invited to participate in the mobile trade fair sponsored by Isbrandtsen Co., Inc. The responses we received from our customers and sales agents were indeed gratifying. They had only the most glowing comments to make apropos the wisdom of our participation in that fair.

With the successful passage of Senate bill S. 3389, so many other U.S. exporters will be privileged to likewise display their products in many overseas cities to the benefit of their company's sales in particular and for the promotion of the foreign commerce of the United States in general.

We request that this letter be incorporated in the record applying to Senate bill S. 3389.

Yours truly,

A. S. LEBOVITZ, *Export Manager.*

THE HENRY G. THOMPSON & SON Co.,
New Haven, Conn., July 20, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SIR: We are very much in favor of Senator Clair Engle's bill S. 3389, calling for Government support of the mobile trade fair program on a worldwide basis. We are interested in expanding our international marketing, and believe that this program offers a great deal of help. We would be interested in participating, and welcome the opportunity.

Thank you for any assistance you can give.

Sincerely yours,

JAMES MALARNEY,
Advertising and Promotion Manager.

GORDON MARKS & Co., INC.,
Jackson, Miss., July 23, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: It has come to my attention that your committee has today started study on a bill introduced by Senator Clair Engle concerning Government support of mobile trade fairs. This is bill No. S. 3389.

I certainly wish to most wholeheartedly endorse this bill and hope that your committee will report it out favorably to the Senate.

This program offers American manufacturers one of the finest ways I know to display their products in numerous countries throughout the free world. In addition, I am quite sure that it is a tremendous testimonial for the American system of free enterprise.

With kindest regards, I am
Sincerely yours,

SUTTON MARKS.

WINPOWER MANUFACTURING Co.,
Newton, Iowa, July 2, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Senate Office Building, Washington, D.C.

DEAR SIR: Because we were sold on the idea of mobile trade fairs, we contributed a \$5,000, 15-kilowatt diesel-electric plant to Isbrandtsen for their first contingent. Subsequently, we prepared an exhibit which is now on tour in one of the other groups of exhibits.

As a small company, I think this certainly evidences our interests in this program, and speaks better than words in how effective we feel it is.

Now, we understand Senator Engle of California has presented a bill to the Senate, No. S. 3389, authorizing and directing the Secretary of Commerce to assist in such a program on a more broad scale basis.

With the worldwide competition facing every American manufacturer today. I personally feel this is one of the most effective means of acquainting foreign buyers with American-made products and such a program should be backed by our own Government. They say a picture is worth a thousand words, and actually seeing and looking at a product is worth a thousand pictures.

We can now cite many cases of where these exhibits have helped our company, so I urge your committee get behind this program and see that the bill is passed. It can benefit thousands of American manufacturers with very little cost to the Government.

Sincerely,

E. A. MCCARDELL, *President.*

GENERAL BATTERY & CERAMIC CORP.,
Reading, Pa., July 18, 1962.

HON. WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR MAGNUSON: Our attention has been focused on the Isbrandtsen Mobile Trade Fair from the time it left New York until the time it returned approximately 11 months ago. Our particular interest has been promulgated by the fact that we were one of the original participants in this venture and as such we are pleased to inform you that as a direct result, our company has enjoyed a very substantial gain in our export volume of business. So much has our export volume grown, that we have been informed as of June 5 that our company has qualified to receive President Kennedy's E-For-Export award. We feel that this would not have been possible without the increase brought about by the mobile trade fair.

Recently we have been informed that the Isbrandtsen Co. Inc. has succeeded in promoting interests to few other steamship companies to carrying out this program in other directions and to other ports around the world. In order to do this, the companies which have acquiesced to this idea, have been reluctant to absorb the costs involved, as Isbrandtsen did. We are quite sure that you are aware of this, and that it is the reason why your idea, as presented in the Honorable Senator Clair Engle's bill No. S. 3389, needs the support of everyone. We urge you to do everything in your power to promote passage of

this bill and we shall dedicate as much of our time and effort as possible to induce other interested people to do the same.

We trust that our combined efforts will result in the passage of bill No. S. 3389.

Sincerely yours,

R. H. MILLER, *Export Manager.*

GRAY CO., INC.,
Minneapolis, Minn., July 19, 1962.

HON. WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

MY DEAR SENATOR MAGNUSON: The Gray Co. has been privileged to exhibit some of their equipment in the most recent Isbrandtsen Co. Mobile Trade Fair.

The following Graco overseas distributors have specifically written us expressing their appreciation and voicing their approval for our participation in this venture:

1. Engineering Supplies Lt., Tel-Aviv, Israel.
2. S. Balaram & Co., Ahmedabad, India.
3. William Jacks & Co., Singapore.
4. Connell Bros. Co., Ltd., 320 California St., San Francisco (distributor for Korea).
5. Taiwan Industrial & Commercial Co., Taipei, Taiwan.

Exceptional interest in our products was very definitely created by this mobile trade fair and many inquiries have been received here as a result of the exhibition. We are confident that the sale of Graco equipment will increase in the countries where the trade fair was exhibited. Furthermore, we believe that this fair should enable us to obtain sales and service distribution in those countries where we presently have no distribution.

In those areas where we have distribution we advised our associates of the mobile trade fair and requested their individual participation to help make this exhibit a success. This assignment was accepted eagerly and as of this early date, the showing has proven to be profitable to the Gray Co. as well as our distributors.

The Gray Co. is enthusiastic concerning the potential use of our equipment throughout the world and we strongly urge that the concept of mobile trade fairs be continued and expanded.

Sincerely yours,

H. A. MURPHY, Sr., *President.*

MERCURY PRINTING CO.,
Tampa, Fla., July 24, 1962.

Subject: Cruising showcase of U.S. products.

COMMERCE COMMITTEE,
U.S. Senate,
Washington, D.C.

DEAR SIR: Have read with interest about the proposed "Cruising showcase of American products."

While it is true most large cities lie on deep water, yet it is still more important to reach interior cities which are not solicited so intensively.

This could and should be done, in my opinion by display trailers carried aboard ship.

Trusting this is of interest to you, I remain,

Yours very sincerely,

JOHN W. NESTLER, *Proprietor.*

DUBARS INTERNATIONAL, INC.,
New York, N.Y., July 17, 1962.

HON. WARREN MAGNUSON,
Senate Commerce Committee,
U.S. Senate, Washington, D.C.

DEAR SIR: As exporters of American automotive replacement parts and one of the exhibitors of the first contingent of the mobile trade fair, sponsored by the Isbrandtsen Steamship Co. of this city, we wish to add our comments with regard to Senate bill S. 3389 as presented by the Honorable Senator Clair Engle.

As a result of our participation in this mobile trade fair, we acquired the services of two additional oversea agents, secured orders from their markets, and are still evaluating the results of our participation.

We can wholeheartedly attest to the merits of this type of export sales promotion, especially when you consider that the only cost to our company was the charge by the builders of our display. All other costs were absorbed by the Isbrandtsen Steamship Co.

Since our company dedicates itself exclusively to the export trade, we are in favor of any measure which will stimulate our foreign trade, especially since our economy has tended to price itself out of many world markets where similar products from Western European countries and Japan have secured an edge.

We would like to go on record as being in favor of seeing changes made in existing laws to the following extent:

(1) The application of blocked foreign currency accounts toward stimulation of American exports in those markets.

(2) Adequate depreciation allowances for manufacturers in order to reequip their plants, toward lowering of export prices resulting from higher productivity.

(3) Centralization of all Government agencies at field office level, having any regulatory effect on either the shipping, packing, or transport of export merchandise. Namely: Interstate Commerce Commission (transport), Federal Maritime Commission (shipping), Treasury Department (Federal excise tax), U.S. Department of Commerce (Foreign Commerce Bureau). With possibly others to be added to this list, an exporter would have recourse at the local level to one office where he could settle his problems with representatives of the above agencies. At the present time he must deal with them separately although his problem may cover more than one agency and where his customer (7,000 miles away) awaits a solution.

(4) The review by all Government agencies and representatives of foreign trade (private enterprise) of any new legislation which may affect the export trade, either directly or indirectly, prior to its submission to Congress.

Example: We understand the ICC is or has contemplated eliminating the lower inland freight rate now applied on goods moving overseas. This means an automatic increase in oversea cost of American products. Such moves should be submitted to a central coordinating committee (as proposed above) to evaluate their effect prior to enactment.

(5) Empowering field representatives to solve exporters' problems without having to revert to Washington. Many cases could be taken off the "shoulders of Washington" and would have a refreshing effect in the exporter "getting an answer" to his customer.

(6) A review of the Federal excise tax in its present form toward eliminating the tax from all goods for export, although, as provided now, many manufacturers still charge and the exporters' customer bears the cost.

In closing we wish to acknowledge the tremendous efforts being made by your committee in understanding the exporters' problems. We hasten to extend our complete cooperation toward a better understanding and the realization of solutions to these problems.

Respectfully yours,

R. G. NEUNDORFER, *General Manager.*

KEUFFEL & ESSER Co.,
EXPORT DEPARTMENT,
Hoboken, N.J., July 16, 1962.

Subject: Bill No. S. 3389, mobile trade fairs.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: We have been advised that Senator Clair Engle has introduced bill No. S. 3389 calling for U.S. Government support of the mobile trade fair program and that you will conduct hearings on this bill commencing July 23, 1962.

Keuffel & Esser Co. have been a participant in the latest mobile trade fair which was sponsored by the Isbrandtsen Steamship Co. In its trip around the world it has called at many foreign ports and has created a great deal of interest and prospective new customers for products manufactured by our company.

We feel that a continuation of this program with a broadened scope will be of great interest to ourselves in other market areas where we wish to increase the sale of our products as well as to a broad cross section of the American export industry.

We would like to urge that favorable consideration be given to this bill and lend our voice to those who support this piece of legislation.

Sincerely yours,

E. E. PARRISH,
Director, International Marketing.

INTERNATIONAL PRODUCTS & MANUFACTURING Co.,
Chicago, Ill., July 11, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: Senate bill S. 3389, recently introduced by Senator Clair Engle, has recently come to our attention and as a participant in the Isbrandtsen Mobile Trade Fair we are writing to recommend this activity and its support by the U.S. Government.

The expansion of mobile trade fairs would, if our experience is typical, provide American business and industry of our type a substantial promotional facility at a possible cost within reach of many such companies needing it, unachievable on an individual basis.

May we respectfully request your interest in Senate bill S. 3389 and offer our experience a part of the basis therefor.

CARL D. PERKINS, *Export Department.*

CONGOLEUM-NAIRN, INC.,
Kearny, N.J., July 10, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SIR: Our attention has been called to Senate bill S. 3389, recently introduced by Senator Clair Engle. As one of the initial manufacturers participating in the Isbrandtsen Mobile Trade Fair, we feel that there is definitely a valuable asset that should not be overlooked in the whole concept of the program.

Congoleum-Nairn, one of the leading manufacturers of smooth surface floor covering, has been, until recently, somewhat restricted in foreign commerce participation due to the Nairn Co's. holdings abroad. Recently, these restrictions have been relaxed so that we are beginning to pioneer our efforts in foreign commerce. Also, Congoleum-Nairn has in its research and development program new product potentialities which would be better adapted to foreign competition. These two points together exemplify our need for greater reader contacts abroad.

The mobile trade fair experience showed us what could be done by the physical showing of our products abroad. We did not have a spectacular return from this first go round, because of our own shortage of products that meet foreign demand. We feel, however, that the mobile trade fair has taught us much in what corrections should take place in our own marketing concepts. We are also definitely in favor of the continuance of this type of program and would be in favor of Senate bill S. 3389 being adopted.

Thank you very much for the opportunity of being able to express our views
Very truly yours,

PAUL D. REUSCH,
Assistant, Director Advertising and Sales Promotion.

ROCKE INTERNATIONAL CORP.,
New York, N.Y., July 11, 1962.

Subject : Senate bill S. 3389

HON. WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: We are advised by the Mobile Trade Fairs, Inc., that the Senate Commerce Committee will hold hearings on the subject bill on July 23 and July 24.

In our capacity as export managers for National Lock Co. we participated in a mobile trade fair sponsored by the Isbrandtsen Co., Inc., during 1961. The results obtained by our participation were so satisfactory that we wish to submit this letter in support of the bill for the record of your committee.

Our company has been in existence for over 39 years for the sole purpose of developing export sales for the American manufacturers that we represent. When we were approached by the Isbrandtsen Co. to participate in their mobile trade fair we were, frankly, somewhat reluctant to devote the necessary time and money to the preparation of what appeared to be an enterprise of speculative value as a promotional undertaking. However, for the limited expenditure on our part, we found the results to be of enormous value. Our participation in the mobile trade fair enabled us, inexpensively, to attract customers that otherwise would not have been interested. This was the first time we were able to display samples of our products to so many potential customers in foreign countries that were previously contacted only by direct mail and advertising.

We have to date received a total of over 200 inquiries from the various ports visited by the mobile trade fair. Although it is impossible for us to trace directly individual sales to the fair, our business has increased in the countries visited. Our representatives report enthusiastically about future business expected to result from the display of our products in their countries.

Attached as exhibit A is an invitation prepared by our branch office in Beirut, Lebanon, announcing the arrival of the National Lock display. Exhibit B is an article on page 7 of the summer 1961 issue of Source magazine describing National Lock's participation in the mobile trade fair. Both of these attachments indicate the backing and support that we in our modest way provided to help publicize and promote the success of the mobile trade fair. We strongly feel that it would be far more beneficial if the Government could offer technical assistance and support as well as financial assistance for the purpose of expanding, publicizing, and promoting these exhibits, which we feel will lead to an increased volume of export business.

We, therefore, wish to go on record in support of the passage of Senate bill S. 3389.

Respectfully submitted.

JACK A. ROWMAN,
Manager, Electro-Industrial Division.

SELSTROM MANUFACTURING CO.,
Palatine, Ill., July 2, 1962.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: Recently we were informed of Senate bill S. 3389 introduced by Senator Clair Engle relating specifically to the expansion of mobile trade fairs.

We are taking the liberty to write to encourage such mobile trade fairs because we had a part in the recent Isbrandtsen group which recently made many ports throughout the world and we were pleasantly surprised to find the quality of contacts they make.

In that we manufacture a line of safety equipment, specializing on the eye and face protection, we had an opportunity to present safety standards and possibilities to countries where we otherwise would never be known. It was, therefore, pleasant to receive inquiries from nearly every stop that they made. We were further impressed by those who made inquiries, as they evidently were of the more substantial businessmen of that particular community.

We want to urge Government participation be made in the presently considered mobile trade fairs. It should result in a great deal of additional business for the United States and in such a concerted effort we should like to submit our display to become a part thereof. We believe that it will result in a major business source with a minimum of expense.

Cordially yours,

G. E. SELLSTROM.

AMERICAN CHEWING PRODUCTS CORP.,
Newark, N.J., July 13 1962.

HON. WARREN MAGNUSON,
U.S. Senate Office Building,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR: As exporters for the past 30 years, we are vitally interested in the passage of the Senate bill No. S. 3389, calling for Government support of the mobile trade fair program in the interest of increasing U.S. exports by expansion of this program on a worldwide basis.

Your favorable consideration is earnestly requested.

Respectfully yours,

A. DUFFIELD SCHAEFFER, *President.*

AMERICAN MERCHANT MARINE INSTITUTE, INC.,
Washington, D.C., July 23, 1962.

Senator WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: The American Merchant Marine Institute, Inc., a national trade association composed of U.S. steamship companies operating a substantial majority of U.S.-flag vessels in the foreign and domestic trades of the United States, wholeheartedly endorses S. 3389 which your committee is considering.

The bill is designed to promote the foreign commerce of the United States through the use of mobile trade fairs in order to increase American exports.

Under the terms of the proposal the Secretary of Commerce would be authorized to provide the operator or operators of such mobile trade fairs technical and financial assistance, on determination that such operations provide an economical and effective means of promoting export sales. This assistance would be made available only where the operator or operators of the mobile trade fairs exclusively use U.S.-flag vessels in the transportation of their exhibits.

Enactment of this measure would provide very practical instruments for attaining the new markets and the expanded volume of commerce which are objectives of the President's trade program. The advent of the European Common Market, coupled with the already adverse U.S. balance of payments, makes trade promotion a matter which should be given priority status in order to serve and protect the best interests of Government, industry, and labor.

We should like to point out that trade-fair ships are now being used by some of our most enterprising foreign competitors, notably Japan, to expand their own export trade. Certainly we should exert at least equal effort to advance our own interests.

The proposal offers American small businessmen and manufacturers international opportunities they have not heretofore generally had in larger, fixed trade fairs to which the United States has been a party. Furthermore, the costs of displaying the products would be considerably less than that of individual exhibits at large expositions on land.

Another factor to be considered is that trade-fair ships are ideally suited to display the quality and variety of American products in world markets. This will be a challenge to the businessman and the manufacturer and will inevitably result in placing our own industries in a better competitive position.

We urge favorable consideration of this or similar proposals, and ask that this letter be made a part of the written record of S. 3389.

Sincerely,

ALVIN SHAPIRO.

BEN J. SHIR, INC.,
Boston, Mass., July 17, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON: We take this means of advising you that we are in favor of bill No. S. 3389 introduced by Senator Clair Engle calling for Government support of mobile trade-fair program to a worldwide basis as we feel as though it will be of great benefit to those people engaged in foreign trade.

Very truly yours,

SUMNER L. SHIR.

UNIVERSAL TRADING Co.,
Ogden, Utah, July 13, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: I am an exporter of the products listed on the enclosed circular. The manufacturers of these products are willing to sell overseas but cannot afford to furnish free samples to every request received through me.

Free samples can be very costly, therefore none are sent. Perhaps a number of sales are lost because of this. Through the mobile trade-fair program, this merchandise could be shown at a small cost.

For the above reason, I am very much in favor of bill No. S. 3389, calling for Government support of the program.

I hope, Senator Magnuson, that you agree with me and support this bill.

Sincerely yours,

ARTHUR SMITH.

AMERICAN OFFICE SUPPLY EXPORTERS ASSOCIATION,
New York, N.Y., July 19, 1962.

HON. WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR SIR: In the past 3 months, we have become thoroughly familiar with the program known as mobile trade fairs which was originally developed by the Isbrandtsen Co., Inc.

During one of our recent monthly meetings, we had the pleasure of having Mr. Curt Betjemann of Isbrandtsen address us, outlining the complete program of the mobile trade fairs units. The entire project was very well received by our some-40 members of the association which indicated a really hard-hitting practical way of bringing American products overseas. As an association we heartily endorse the entire program and solicit your assistance in bringing about the passage of Senator Clair Engle's bill S. 3389, which calls for Government support of this program.

All of our membership is constantly in competition with formidable overseas competition and feel this is the kind of program that has a down-to-earth quality about it.

A rather interesting number of our membership represent companies who have been very successful in developing new business for American products overseas despite the difficulty and ever-present competition.

Yours sincerely,

GORDON N. STEINMETZ, *Executive Secretary.*

HENRY STERN & Co., INC.,
New York, N.Y., July 17, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: We understand that a bill is being proposed in Congress providing Government support of the mobile trade fair as a means for stimulating greater interest abroad in American products and, thereby, assisting the developing of an export program to ease the gold strain in the United States.

Our company, which functions as export sales agents for a group of American manufacturers, participated in the first of these trade fairs and had our products shown through many areas of the Middle East and Far East, where our material standards previously were comparatively unknown.

I had occasion to travel some of these areas shortly after the visit of the fair and found my sales work was considerably facilitated by the fact people in the trade whom I visited had seen our products and were impressed by the standards established by the American electrical industry. In addition to this, we received a substantial number of letters from merchants abroad expressing an interest in purchasing these materials, several of which have led to actual business.

The first fairs merely scratch the surface. There are many other areas of the world where American products are completely unknown and where business can be done on a substantial scale if the means were provided to educate them as to what American industry can make available and the means we utilize in producing these materials. For this reason we believe that a project which is not an expensive one in terms of the potential yield fully merits the support and assistance of the Government and the technique is one that has proved successful in its use by other countries who have used similar methods.

We would be glad to have this letter put in the record in support of the bill which we approve fully.

Respectfully yours,

HENRY STERN, *President.*

F. H. MCGRAW & Co., INC.,
New York, N.Y., July 12, 1962.

Hon. WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Senate Office Building, Washington, D.C.

MY DEAR SENATOR MAGNUSON: It has been brought to my attention that Mobile Trade Fairs, Inc., a nonprofit organization for the promotion and stimulation of foreign trade through the display of American-made goods, is seeking the cooperation and support of the U.S. Government.

As an original participant in this old venture, F. H. McGraw & Co., engineers and constructors on an international basis, has witnessed at close range the benefits of the mobile trade exhibits. Our participation, which was initiated in 1960, through the Isbrandtsen Steamship Co., has been quite fruitful in that we have received inquiries from foreign areas regarding our capacity to design and/or build projects in oversea sectors.

We wholly endorse the plan for these trade fairs as proposed by Mobile Trade Fair, Inc., and urge the Senate Commerce Committee to lend its utmost support to this worthwhile stimulus to foreign trade.

Very truly yours,

CLIFFORD S. STRIKE, *President.*

EASTERN STAINLESS STEEL CORP.,
Baltimore, Md., July 13, 1962.

Reference: Bill No. S. 3389.

Hon. CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR ENGLE: I was pleased to learn that you introduced the subject bill calling for Government support of mobile trade fairs, and sincerely hope that it will be successfully enacted.

Sincerely yours,

JAY L. TAFT, JR., *Export Manager.*

H. M. TIEDEMANN & Co., Inc.,
New York, N.Y., July 17, 1962.

Subject : Mobile trade fairs.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SENATOR MAGNUSON : While this company is not in the export business, we believe the mobile trade fairs idea is an excellent means of projecting the United States and its capabilities into foreign trade. We think the good work it is doing should be encouraged.

Yours very truly,

H. M. TIEDEMANN, *President.*

AIR TRANSPORT ASSOCIATION,
Washington, D.C., July 18, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN : Thank you for notifying us that hearings will be held on July 23 on S. 3389, a bill by Senator Engle to promote the foreign commerce of the United States through the use of mobile trade fairs. The airlines are interested in the bill and fully support it. Such legislation is in line with the efforts of the administration and the efforts which we have supported over the years to encourage the promotion of U.S. trade with other countries.

We have one amendment to suggest. As the bill is drawn, it limits Government assistance to the operator or operators of mobile trade fairs which "exclusively use U.S. flag vessels in the transportation of their exhibits." It would appear to be unwise and probably contrary to the fullest development of the mobile trade fair idea to exclude the use of U.S.-flag aircraft for the transportation of such exhibits. Moreover, it seems desirable to encourage the use of U.S.-flag vessels and aircraft in the transportation of personnel which foster and attend these trade fairs.

For these reasons, we suggest an amendment to the bill as follows :

On page 2, section 2, change lines 6 to 8 to read: "where the operator or operators of the mobile trade fairs exclusively use U.S.-flag vessels or aircraft in the transportation of their exhibits and personnel."

The airlines are very much interested in encouraging the promotion of U.S. trade with foreign countries and are anxious to participate in its development in every possible way. We hope that the bill, with the suggested amendment, may be acted on favorably by the committee.

Yours very truly,

S. G. TIPTON.

TULLY INTERNATIONAL, INC.,
Cincinnati, Ohio, July 16, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR : We understand that a bill has been presented to the Senate and will shortly be presented in the House of Representatives concerning Mobile Trade Fairs, Inc. The Mobile Trade Fairs, Inc., is of course, a nonprofit organization which was the outgrowth of the mobile trade fair sponsored by the Isbrandtsen Steamship Lines.

As export brokers and combination export managers we have participated in several of the earlier trade fairs with excellent results.

It is our feeling that the mobile trade fair should not only continue, but that they should be expanded extensively to allow American industries the opportunity of displaying their wares to the various interested world markets. The opportunity for foreign distributors, and even the consumers, to actually inspect American products in their own countries is one of the best merchandising methods we know of to expand American exports. Through our previous part in this program we have expanded our sales and also located representatives in more than five countries in which we were not previously represented.

As it is virtually impossible for each individual exporter and exporting manufacturer to individually present his products in a display abroad, we feel that the mobile trade fairs could easily become a solution to the problem. Since

American producers have become generally more interested in foreign trade, and since our Government is deeply interested in export expansion, it is our hope that you will make every effort to see that the required legislation is put in force. We thank you for doing what will not only be a service to our firm but to our country in general.

JAMES F. TULLY
(For T. J. TULLY, President.)

RAMAR SALES AGENCY,
South Norwalk, Conn., July 18, 1962.

Senator WARREN MAGNUSON,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: We have been informed that Senator Clair Engle has introduced bill No. S. 3389 for Government support of mobile trade fairs.

We are interested in the expansion of mobile trade fairs program, and, as we handle the export department for 20 different manufacturers, we feel that mobile trade fairs would be an important factor in the development of the business overseas for the firms that we represent.

We are in favor of the mobile trade fairs wholeheartedly and we remain,
Very truly yours,

R. VALLE, *Export Manager.*

EASTERN PRODUCTS CORP.,
Baltimore, Md., July 19, 1962.

Senator CLAIR ENGLE,
Senate Commerce Committee,
Washington, D.C.

DEAR SIR: Allow us to congratulate you for introducing a bill which calls for Government support of a program which is unique in export marketing, the mobile trade fair.

We are very desirous that such a program be enlarged to its maximum potential, so that American products can be seen in all the corners of this globe. Not only will the American economy and the business community benefit, but it will also provide the means to greater understanding among people, through the channels of free enterprise.

Assuring you of our undivided support to this program, we remain,
Yours very truly,

RAYMOND E. VEGA,
Executive Assistant, International Division.

INDUSTRIAL FILTER & PUMP MANUFACTURING CO.,
Cicero, Ill., July 13, 1962.

Reference: Senate bill S. 3389.

HON. SENATOR CLAIR ENGLE,
Member, U.S. Senate, Senate Commerce Committee, Washington, D.C.

MY DEAR SENATOR ENGLE: As a result of our exhibit in the mobile trade fair, we received several inquiries about the equipment we manufacture from a large number of countries.

We strongly believe this is the cheapest and effective way of advertising the products of the small and medium size American manufacturers in foreign countries. For this reason we respectfully ask that this letter be incorporated in the above record.

Very sincerely,

JAMES F. ZIEVERS, *Vice President.*

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 23, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 3389, to promote the foreign commerce of the United States through the use of mobile trade fairs.

The bill would authorize and direct the Department of Commerce to encourage the development, organization, and use of mobile trade fairs designed to show and sell the products of U.S. business and agriculture, large and small, in foreign ports and commercial centers throughout the world. Counterpart funds are to be expended for this purpose and only U.S.-flag vessels are to be used in the transportation of the exhibits.

The Department of Agriculture has considered but has not undertaken mobile trade fairs of the type provided for in the resolution under the agricultural export market development program. Such a program would serve a useful purpose. However, we have concluded that the advantages of this type of operation are more than offset by the difficulties and costs involved, as compared with land-based exhibits.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

DEPARTMENT OF STATE,
Washington, D.C., July 20, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: This is in response to your request of June 11, 1962, for the comments of the Department of State on S. 3389, a bill to promote the foreign commerce of the United States through the use of mobile trade fairs.

The Department considers the promotion of our export trade essential to a correction of our balance-of-payments deficit and hence, to the carrying out of our foreign policy objectives. As the committee is aware, the Department, in cooperation with the Department of Commerce, is actively engaged in upgrading and strengthening the trade-promotion activities of the Foreign Service. Our commercial officers have found that one of the most effective means of promoting trade opportunities is by actual display of U.S. products in the foreign marketplace. Mobile trade fairs provide such a means and we, therefore, support this type of activity. However, we recognize that the Department of Commerce would have primary responsibility for implementing S. 3389 and we defer to that agency's views as to the feasibility of such a program.

In this connection the Department is familiar with the pioneering in this field done by the Isbrandtsen Co., as cited by Senator Engle in introducing this measure to the Senate. Our posts abroad, including several ambassadors and consuls general have cooperated with company representatives in generating publicity for the exhibits, making arrangement with local governments, and promoting attendance by potential customers. While some difficulties were encountered, posts in general report favorable results in terms of new trading connections as well as public relations.

In view of the foreign-relations aspect, as well as the necessary support of mobile fairs by our posts, the Department assumes that it will be brought into the programming envisioned in section 4.

The Department also notes the cargo preference provisions in section 2, page 2. As you are aware, it is the policy of the United States not to specify flag carriers for cargoes of a commercial nature. This has been a continuing policy established in the long-term interests of the American international merchant marine industry. Moreover, treaties of friendship, commerce, and navigation with several countries accord national treatment, with certain exceptions relating to national security or the strategic nature of the cargo, to vessels of each contracting government with respect to the right to carry articles to or from the territory of the other. The exceptions stated in the treaties do not appear to cover trade fair cargoes. Accordingly, the Department suggests dele-

tion of the last clause of section 2, page 2, beginning with the word "provided" and ending with the word "exhibits."

In making the foregoing suggestion the Department recognizes that in practice, these mobile trade fairs would be expected to move on U.S.-flag vessels where available. Thus, the Department regards the provision as adding nothing from a practical point of view, as well as being undesirable in that it would amount to a deviation in statute from our international shipping policy.

The Department has been advised by the Bureau of the Budget that from the standpoint of the administration's program there is no objection to the submission of this report.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary,
(For the Acting Secretary of State).

FEDERAL MARITIME COMMISSION,
Washington, D.C., June 21, 1962.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will acknowledge receipt of your request of June 11, 1962, for the views of the Federal Maritime Commission with respect to S. 3389, a bill to promote the foreign commerce of the United States through the use of mobile trade fairs.

The bill would authorize and direct the Secretary of Commerce to encourage the development, organization, and use of mobile trade fairs designed to show and sell the products of the U.S. business and agriculture in foreign ports and commercial centers throughout the world. The Secretary would be authorized to provide operators of mobile trade fairs technical assistance and financial assistance for the purpose of defraying certain expenses incurred abroad, when he determines the operations provide economical and effective means of promoting export sales. Such assistance would be authorized only where the operator of the mobile trade fair exclusively uses U.S.-flag vessels in the transportation of his exhibits. So-called counterpart funds not otherwise committed could be expended for the purposes specified in the bill.

The Federal Maritime Commission believes that all efforts should be made to promote the foreign commerce of the United States. However, inasmuch as no direct responsibilities would be placed in the Commission by the terms of the act, we express no opinion as to the specific provisions of the bill.

The Bureau of the Budget advised there would be no objection to the submission of this letter from the standpoint of the administration's program.

Sincerely yours,

THOS. E. STAKEM.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., June 22, 1962.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: We again refer to your letter of June 11, 1962, in which you asked for our comment on S. 3389.

The proposal to establish a program of mobile trade fairs is primarily a matter of policy for determination by the Congress. Since the program would not directly affect the functions of our Office, and since we have no special information concerning the desirability of the proposed bill, we have no recommendation to make as to its consideration by your committee on the merits.

However, we note that section 2 of the bill authorizes the Secretary of Commerce to provide to the operator or operators of mobile trade fairs technical assistance and support "as well as financial assistance for the purpose of defraying certain expenses incurred abroad." It might be advisable to identify with some particularity the nature of the expenses for which assistance may be provided and to establish some limitation on the amount of such assistance.

It also might be advisable to have in the bill a requirement that the Secretary of Commerce include in his annual report to the Congress details as to the extent of the technical and financial assistance provided, so that the Congress will be kept informed of the progress and cost of the program. We suggest that the word "officials," lines 17 and 18, page 2 of the bill, might properly be changed to read "agencies."

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.



LEGISLATIVE HISTORY

Public Law 87-839
S. 3389

TABLE OF CONTENTS

Index and summary of S. 33891
Digest of Public Law 87-8392

INDEX AND SUMMARY OF S. 3389

June 8, 1962	Sen. Engle introduced and discussed S. 3389 which was referred to the Senate Commerce Committee. Print of bill and remarks of Sen. Engle.
July 31, 1962	Senate committee voted to report S. 3389.
Aug. 7, 1962	Senate committee reported S. 3389 with amendments. S. Report No. 1850. Print of bill and report.
Aug. 9, 1962	Senate passed over S. 3389.
Aug. 20, 1962	Senate passed S. 3389 as reported.
Aug. 23, 1962	S. 3389 was referred to the House Interstate and Foreign Commerce Committee.
Aug. 27, 1962	S. 3389 was re-referred to the House Merchant Marine and Fisheries Committee.
Sept. 20, 1962	House committee voted to report (but did not actually report) S. 3389.
Sept. 21, 1962	House committee reported S. 3389 with amendments. H. Report No. 2463. Print of bill and report.
Oct. 1, 1962	House passed S. 3389 under suspension of the rules.
Oct. 2, 1962	Senate conferees were appointed.
Oct. 3, 1962	House conferees were appointed.
Oct. 5, 1962	House received and agreed to conference report on S. 3389. H. Report No. 2538. Print of report.
Oct. 8, 1962	Senate agreed to the conference report.
Oct. 18, 1962	Approved: Public Law 87-839.

DIGEST OF PUBLIC LAW 87-839

USE OF MOBILE TRADE FAIRS. Provides that the Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs which are designed to show and sell products of U. S. business and agriculture at foreign ports and at other commercial centers throughout the world where the operators of mobile trade fairs exclusively use U. S. flag vessels and aircraft in the transportation of exhibits. Authorizes the appropriation of not to exceed \$500,000 for each of the three fiscal years 1963, 1964 and 1965 for this purpose. In addition to appropriated sums, authorizes the President to make maximum use of foreign currencies owned by or owed to the U. S. for this purpose.

87TH CONGRESS
2D SESSION

S. 3389

IN THE SENATE OF THE UNITED STATES

JUNE 8, 1962

MR. ENGLE introduced the following bill; which was read twice and referred to the Committee on Commerce

A BILL

To promote the foreign commerce of the United States through the use of mobile trade fairs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Commerce, in addition to his authority
4 under any other Act, is hereby authorized and directed to en-
5 courage the development, organization, and use of mobile
6 trade fairs designed to show and sell the products of United
7 States business and agriculture, large and small, in foreign
8 ports and commercial centers throughout the world.

9 SEC. 2. To effectuate the carrying out of the purposes of
10 this Act, the Secretary of Commerce is authorized to pro-
11 vide to the operator or operators of such mobile trade fairs

1 technical assistance and support as well as financial assist-
2 ance for the purpose of defraying certain expenses incurred
3 abroad, when the Secretary determines that such operations
4 provide an economical and effective means of promoting ex-
5 port sales, provided that such assistance shall only be made
6 available where the operator or operators of the mobile trade
7 fairs exclusively use United States-flag vessels in the trans-
8 portation of their exhibits.

9 SEC. 3. The Department of Commerce is authorized to
10 expend for the purpose of this Act such so-called counterpart
11 funds as may not be otherwise committed.

12 SEC. 4. For the purpose of devising a program of assist-
13 ance to the operator or operators of mobile trade fairs, the
14 Secretary of Commerce may use such interagency commit-
15 tees as may now be available to him, or he may create a
16 Mobile Trade Fair Committee, but in either event the Small
17 Business Administration shall be among the Government offi-
18 cials assisting in the development of said program.

A BILL

To promote the foreign commerce of the United States through the use of mobile trade fairs.

By Mr. ENGLE

JUNE 8, 1962

Read twice and referred to the Committee on
Commerce



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, SECOND SESSION

Vol. 108

WASHINGTON, FRIDAY, JUNE 8, 1962

No. 93

House of Representatives

The House was not in session today. Its next meeting will be held on Monday, June 11, 1962, at 12 o'clock noon.

Senate

FRIDAY, JUNE 8, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, midst all the busy shuttles of legislation, as here in this Chamber is woven the fabric of law and order, nourishing and shielding the life of our democracy, may we not be so enmeshed in the immediate mechanics of our tasks as to lose sight of the total pattern shown only in the mount of vision.

Pausing in this temple of a people's hope and prayer, we would not catalog the sins of others. We come not to exult that we are not as other men; but, rather, confessing our own sins, we would pray for Thy forgiveness and Thy cleansing. We would be the kind of persons to whom Thou canst trust Thy ageless purposes to our willing and eager hands.

We ask only for light enough for the next step, courage enough to face the present duty, and truth enough for today's decisions, as into Thy hands we commit our ways.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 7, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 31, 1962, the President had

approved and signed the following acts and joint resolutions:

S. 1915. An act for the relief of Orsolina Cianflone Iallonardo, Mrs. Chow Chui Ha, and Giuseppe Aniello;

S. 2270. An act to amend section 105 of title 28, United States Code, so as to transfer certain counties from the Western Division of the Western District of Missouri to the St. Joseph Division of such district, and for other purposes;

S. 2806. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

S.J. Res. 129. Joint resolution authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy; and

S.J. Res. 175. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947,

was read twice by its title and referred to the Committee on Armed Services.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the senior Senator from New Mexico [Mr. CHAVEZ] be granted an official leave of absence from the Senate, due to official business.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Small Business Subcommittee of the Banking and Currency Committee was authorized to meet during the session of the Senate today.

CORRECTION OF VOTE

Mr. DIRKSEN. Mr. President, in the CONGRESSIONAL RECORD of June 7, 1962, page 9195, on the vote on the Mansfield-Dirksen amendment, as modified, the Senator from South Dakota [Mr. CASE] is recorded "nay" and is paired with the Senator from Rhode Island [Mr. PAS-TORE].

Through an inadvertency in making the announcement, the position of the Senator from South Dakota [Mr. CASE] was not properly recorded. Had he been present, he would have voted "yea."

I therefore ask that the permanent Record be corrected to show this error.

The VICE PRESIDENT. The correction will be made accordingly.

MR. DIRKSEN. I also ask that a statement on this subject by the Senator from South Dakota be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CASE OF SOUTH DAKOTA

Believing that the eventual breakdown of the Iron Curtain and the liberation of the people from the Communist yoke will come by reaching the hearts and minds of the people who are enslaved, I favor those measures which will help to accomplish that end.

I would not give the political leaders of the Communist countries any opportunity to steal credit for any food that might be provided starving people from our surplus stocks, but I certainly would favor efforts to reach the people themselves with the message that is America—the right of every individual to live a decent life without dictation or control by the state.

To the extent that the service, religious, and nonprofit organizations such as CARE, or the National Catholic Welfare Council, or the various Protestant groups are joined together in efforts of this sort in getting needed food directly to the people with proper credit to the people of America, I would favor it. And, understanding that that is the purpose of the Mansfield-Dirksen amendment, I would have been paired for it. Pairing me against it yesterday was apparently due to some clerical misunderstanding. Upon being advised of it this morning, I asked that the correction be made for the permanent RECORD.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Watershed Protection and Flood Prevention Act, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON REVIEW OF POLICIES AND PROCEDURES FOR THE USE OF EXCESS STOCKPILED MATERIALS BY FEDERAL GOVERNMENT AGENCIES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of policies and procedures for the use of excess stockpiled materials by Federal Government agencies, Office of Civil and Defense Mobilization (succeeded by Office of Emergency Planning), Executive Office of the President, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

CONCURRENT RESOLUTION OF LOUISIANA LEGISLATURE

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on the Judiciary, as follows:

HOUSE CONCURRENT RESOLUTION 29

Concurrent resolution relative to the Equal Rights Amendment for Women now pending before the U.S. Congress

Whereas the women of our Nation have enjoyed full civil rights since the adoption of the 19th amendment; and

Whereas all citizens of our Nation should not only share equal civil rights but also equal legal rights; and

Whereas there exist many statutes discriminating against women; and

Whereas such legal differentiations, merely because of sex, lower the Nation's prestige and status in the world community; and

Whereas both political parties announced support of equal legal rights in their respective platforms; and

Whereas such a discriminating situation is outmoded and intolerable: Therefore be it

Resolved by the House of Representatives of the Legislature of Louisiana (the Senate concurring), That the Congress of the United States is hereby urged and petitioned to adopt and propose for submission to the States for ratification an amendment entitled "Equality of Rights Under the Law Shall Not Be Denied or Abridged by the United States or by Any State on Account of Sex"; and be it further

Resolved, That a copy of this resolution shall be sent to each member of the Louisiana delegation in the U.S. Congress and to the Presiding Officer of each House of the Congress of the United States.

Speaker of the House of Representatives.

Lieutenant Governor and President of the Senate.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 3244. A bill to amend section 1208(a) of the Merchant Marine Act, 1936, to authorize investment of the war risk insurance fund in securities of, or guaranteed by, the United States (Rept. No. 1577).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD:

S. 3388. A bill for the relief of Evelyn M. DeJesus; to the Committee on the Judiciary.

By Mr. ENGLE:

S. 3389. A bill to promote the foreign commerce of the United States through the use of mobile trade fairs; to the Committee on Commerce.

(See the remarks of Mr. ENGLE when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

CAPTIVE NATIONS RESOLUTION

Mr. HRUSKA submitted a concurrent resolution (S. Con. Res. 77) to express the sense of Congress on bringing before the United Nations the issue of denial of self-determination to the peoples of various countries, which was referred to the Committee on Foreign Relations.

(See the above concurrent resolution printed in full when submitted by Mr. HRUSKA, which appears under a separate heading.)

PROMOTION OF FOREIGN COMMERCE THROUGH MOBILE TRADE FAIRS

Mr. ENGLE. Mr. President, I introduce, for appropriate reference, a bill designed to promote the foreign com-

merce of the United States through the use of mobile trade fairs in order to increase American exports.

We are all aware that the United States, the world's greatest trading Nation, has been losing ground in recent years in its share of the international market. It would appear that in the past we had been content with selling only a small share of our products abroad, since our domestic market was able to absorb a great percentage of our output. In point of fact, we have been exporting only some 4 percent of our gross national product. Maybe this was sufficient in earlier times, but with our expanding work force and increased productivity—capable of providing a considerable increase in output—we must explore and develop new overseas markets where we can sell our wares.

For years this Nation has been saddled with increasing debt caused in some considerable part by our own abundance. We have developed our agricultural resources to an extent undreamed of only two decades ago. Our surplus crops can, and often do, find ready markets throughout the world. But still there is an excess of food production, and these food products are now available for export. Moreover, our farmers stand ready to provide even greater amounts should new markets so require.

But, even more than our agricultural surpluses, we are now faced with what appears to be a glut in our most precious resource—manpower. Hard-core unemployment has reached astronomical levels—and in view of increasing labor-saving mechanization, the outlook is bleak. New jobs can only be provided if there is a demand for the output they produce. Thus, in order to make a frontal attack on the unemployment problem, we must find new and greater markets for American manufactured goods.

A third and interrelated area of our economy would similarly benefit from an increase in exports. Our great manufacturing plants are working at far under full capacity. As I stated a moment ago, this is partly due to the partial saturation of domestic markets. Yet, there are untapped markets abroad for many of the products of these semi-idle industries. The creation of an overseas demand would serve as the needed stimulus to increase production, spur new capital investment, reduce unemployment—in short, give a shot in the arm to our entire economy.

I well realize the strides the administration has taken to increase foreign commerce, particularly in the promotion of exports. The Trade Expansion Act, now before the House of Representatives, illustrates the importance and urgency of changing our patterns of trade. The improvements made by the Department of Commerce in the services provided to businessmen are most praiseworthy. The able work of the Small Business Administration in spreading the gospel of foreign trade to many small industries previously unaware of its possibilities has provided us with many new export products. And the new guarantee program of the Export-Import Bank of Washing-

ton has gone a long way toward placing our exporters on an equal footing with their foreign competitors.

Yet, there is more that can be done, and which should and must be done. While our participation in trade fairs and the maintenance of trade centers does sell American goods—these efforts are inherently limited because of their fixed locations. They obviously must be limited to one or two countries in any one area, and by necessity thus pass by or miss other nations in the same locale where markets for our goods lay untapped.

For this reason it seems apparent to me that a traveling or mobile trade fair could well serve our interests. Recalling that the early strength of our Nation was founded in large measure on an adventurous merchant marine doing business throughout the globe, I believe that we can today do much to recapture old markets and open new ones through use of mobile trade fairs carried across the seas by our merchant ships.

In point of fact, substantial efforts in this direction have already been taken by Isbrandtsen Co., Inc., one of our great American-flag merchant lines. Beginning in 1960, Isbrandtsen devised a means of demonstrating domestic products in a number of foreign ports at an extremely low cost to the manufacturer.

To start with, they had specially constructed large aluminum containers, measuring 20 feet by 8 feet by 8 feet. Within each container there is room for eight exhibits, four on each side, back to back. The sides are hinged at the top to serve as all-weather canopies.

All that the manufacturer who wished to exhibit had to do was prepare the exhibit, at a surprisingly low cost of from \$300 to \$1,000, pay the small installation fee, and provide for the marine insurance.

Isbrandtsen agreed to load and ship the exhibit containers to its various ports of call. The containers would be unloaded at a port, and the shipping line would arrange to have them transported to a local site for assembly, or set them up near the docks. The exhibit would run for approximately 2 weeks, when another Isbrandtsen ship would take it on to another port.

Over 160 American manufacturers have taken part in this remarkable service instituted by Isbrandtsen, and the reports received have been most satisfactory. Many exhibitors have created new markets for their products, and others have acknowledged vastly increased sales.

Isbrandtsen was recently awarded an E for Export award by the President in recognition of its efforts in developing mobile trade fairs—an honor they justly deserved. But Isbrandtsen has not been content to rest on its laurels and has recently helped in the formation of a new nonprofit corporation called Mobile Trade Fairs, Inc., to continue this work. Other members include Farrell Lines, Grace Lines, and American Export Lines. Support is also being offered by banks, insurance companies and ocean freight forwarders.

This is a wonderful example of what free enterprise can do. And, I want it to be understood that these people and organizations are not asking for Government handouts to support their program. They do want some technical assistance from the Commerce and State Departments, as well as from the Small Business Administration. There may possibly be a need for very limited funds—possibly counterpart funds—to be spent overseas to facilitate and promote these exhibits.

The bill I have introduced will make such services available to this nonprofit corporation. It will, I hope, give it added impetus, possibly enlisting a number of west coast lines in this endeavor, and significantly benefiting our export promotion program.

We have come a long way since Yankee Clipper ships plied the trade routes of the world, introducing America and its products to many strange and foreign lands. The time has come for us to return to our preeminent position in world trade, and I, for one, believe that the marriage of mobile trade fairs and our merchant marine will go far in aiding us to achieve this end.

Mr. President, I sincerely believe that this opportunity for expanding our export trade, particularly for products of small business and agriculture, cannot be matched by any other means. As I remarked earlier, mobile trade fairs would complement, not replace, our trade fair and trade center programs. I have every confidence that the Congress will quickly recognize the merits of this proposal.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, introduced by Mr. ENGLE, was received, read twice by its title, and referred to the Committee on Commerce.

THE CONTINUING NEED FOR A CAPTIVE NATIONS RESOLUTION

Mr. HRUSKA. Mr. President, 3 years ago Congress provided for the annual observance of Captive Nations Week. The third week in July of each year has been set aside for this purpose, and the President is called upon to issue a proclamation inviting the American people to observe this special week by appropriate ceremonies and activities. Congress also specifically requested the President to continue issuing similar proclamations each year until such time as all the captive nations of the world have achieved their freedom and independence.

We know, of course, that the events of the past year have not brought freedom and independence to any of the captive nations. Millions of people in the Communist-dominated countries continue to be enslaved by their Soviet masters. They are still shackled under the tyranny and oppression which they have known for so many years. Their individual liberties and fundamental rights as human beings are still being denied.

And, the United Nations Charter which proclaims the principle of "equal rights and self-determination of peoples" continues to be flaunted.

We also know that the spirit of these oppressed peoples has not been broken. They have not given up their hopes for freedom. The recent events in Berlin and Hong Kong remind us of this. We have witnessed there the great lengths to which men are willing to go to shake off the Communist yoke. Neither concrete, nor barbed wire, nor armed threats have been able to stifle man's natural desire for independence.

In order to preserve this spirit and keep alive this spark of resistance, these people of the captive nations must know that they have not been abandoned. They must have the reassurance of the free world that they have not been written off as a lost cause. To this end, Captive Nations Week has made a vital contribution. It serves as an excellent means of focusing the world's attention on the plight of these peoples and gives the American people an opportunity to manifest their concern. I hope, therefore, that the President will see fit to issue a Captive Nations Week proclamation again this year.

Mr. President, the same reasons that prompted Congress to take the issue of the captive nations to the American people should also prompt it to take this issue to the United Nations. The Soviet Union has found the U.N. to be a useful sounding board for denouncing so-called Western imperialism and colonialism. It is important, therefore, that the world constantly be reminded that the Communist brand of colonialism is the most tyrannical and oppressive that history has ever known.

Another valuable service which will be rendered by observance of Captive Nations Week and consideration of the proposed concurrent resolution is this: The more the plight of these nations and their peoples is discussed and is brought uppermost into our minds and consciousness, the less likely there will be attempts by potential peacemakers to temporize, compromise, or sacrifice their freedoms to gain a purported peace. Certainly the price would be too much for any so-called stabilization of peace conditions if, among its prices, would be a maintenance of the status quo or an adulteration of any of the liberties and independence to which these peoples are entitled. From time to time there are such suggestions. They should not only be discouraged, they should be vigorously denounced if they make their appearance. It is my belief that this cause will therefore be greatly advanced by a 1963 Captive Nations Week and by earnest advocacy of the proposed resolution.

Mr. President, I submit, for appropriate reference, a concurrent resolution which calls upon the President to take the steps necessary to bring before the General Assembly of the United Nations the issue of the denial of self-determination to the peoples of Estonia, Latvia, Lithuania, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Ru-

mania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others, with a view toward the removal of all Communist controls, the return of exiles, and the holding of free elections in these countries. I ask unanimous consent that the concurrent resolution be printed in the RECORD.

The VICE PRESIDENT. The concurrent resolution will be received, appropriately referred, and, without objection, the concurrent resolution will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 77) was referred to the Committee on Foreign Relations, as follows:

Whereas Estonia, Latvia, Lithuania, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others have been deprived of their national independence by the imperialistic and aggressive policies of the Soviet Union; and

Whereas the tyranny and oppression of the Communist regime have enslaved the peoples of these captive nations and suppressed their individual liberties and freedom; and

Whereas the subjugation and domination of these peoples by an alien power constitutes a denial of their fundamental human rights and is contrary to the Charter of the United Nations; and

Whereas the captive peoples have never ceased to strive for freedom and the right of self-determination; and

Whereas it is vital to the security of the United States and the free world that the desire for freedom on the part of the peoples of the captive nations be steadfastly preserved; and

Whereas the people and the Government of the United States share the aspirations of the captive peoples to be free and independent: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the President is hereby requested to take such action as may be necessary to bring before the General Assembly of the United Nations the issue of the denial of self-determination to the peoples of Estonia, Latvia, Lithuania, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam and others, with a view toward assuring—

(1) that all Communist troops, agents, colonists, and controls are withdrawn from these countries;

(2) that all exiles from these countries are returned from Siberia and released from prisons and slave-labor camps; and

(3) that free elections are held in these countries under United Nations' supervision.

AMENDMENT OF SMALL BUSINESS ACT—AMENDMENT

Mr. SALTONSTALL submitted an amendment, intended to be proposed by him, to the bill (S. 2970) to amend the Small Business Act, which was ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc.,

were ordered to be printed in the Appendix, as follows:

By Mr. STENNIS:

Address by Adm. George W. Anderson, Chief of Naval Operations, delivered at U.S. Naval Academy baccalaureate, on June 4, 1962.

By Mr. CLARK:

Editorial entitled "Congress Needs a Shove on Clean Elections Law," published in the Harrisburg (Pa.) Patriot.

Letter received by him and fact sheet issued by the Department of Health, Education, and Welfare dealing with health care benefits for the aged under the social security system.

By Mr. WILEY:

Communications addressed to him, from several persons and groups in the State of Wisconsin, relating to the proposed Federal boat tax.

Editorial entitled "The Burdens of Abundance," published in the Evening Telegram, of Superior, Wis.

By Mr. THURMOND:

Editorial entitled "Price of Paternalism," published in the Chicago (Ill.) Daily Tribune on June 1, 1962.

Column entitled "Strong Policies Required While Red Failures Mount," written by Holmes Alexander and published in the Greenville (S.C.) News on June 1, 1962.

Foreword to the book entitled "Communism: Its Faith and Fallacies," written by Dr. James D. Bales.

ORIGINAL COMPOSITION HONORS GLACIER NATIONAL PARK

Mr. MANSFIELD. Mr. President, recently the talents of my alma mater, Montana State University, and the community of Columbia Falls, Mont., were combined to pay honor to the most spectacular of our national parks, Glacier, with the premier of an original composition, "Glacier Fantasy."

Montana State University, at Missoula, Mont., has one of the finest music schools in the Nation. Eugene Weigel, who is on the staff at the music school, composed the original composition which pays tribute to the majesty of Glacier National Park. Mr. Weigel was a student at Yale under Paul Hindemith. The first performance of the "Glacier Fantasy" was performed by the Columbia Falls High School band and the Columbia Falls High School chorus. This high school also has a very fine music department. All in all, it was a combination of some very fine talent.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD a news story appearing in the May 11, 1962, issue of the Hungry Horse News and the contents of the program for the third annual musicale presented at Columbia Falls High School on May 18 and 19.

There being no objection, the article and the program were ordered to be printed in the RECORD, as follows:

[From the Hungry Horse News, Friday, May 11, 1962]

AT MUSICALE: SLATE GLACIER FANTASY PREMIERE

("Glacier Fantasy," an original composition by Eugene Weigel, Montana State University School of Music staff member, will have its premiere at the Columbia Falls High third annual musicale Friday and Saturday, May 18 and 19.)

"Glacier Fantasy" will be presented by the combined Columbia Falls High Band directed by Don Lawrence, and the Columbia Falls High Chorus under the baton of Ron Bond.

Weigel, last year, went to Berlin for the "Berliner Festwochen," where his new "Concerto Festivo" was performed by the West Berlin artists who commissioned the work.

Weigel will be in Columbia Falls May 19 for the second performance of the musicale. He studied at Yale with Paul Hindemith, one of the outstanding living composers, and was a Guggenheim Foundation fellow for musical composition in 1954.

Lawrence commented: "Columbia Falls High is indeed fortunate to have Mr. Weigel write a Montana piece keyed to this area." He continued: "It is a distinct honor for Columbia Falls High musicians to be the performing group for this premiere performance."

Friday's 8 p.m. (May 18) show is primarily for grade school students and adults who wish to attend. Saturday's 8 p.m. performance is for high school students and adults. Admission is \$1 for adults, 75 cents for high school students and 50 cents for grade school pupils. Proceeds are used to purchase music, equipment, robes, and uniforms for the Columbia Falls High Band and Chorus.

The performances will include numbers by the band, chorus, Sonifers and Columbians. There will also be a variety show, and Saturday, the Columbians will play for a dance to follow the musicale variety show. The Sonifers will sing during the dance.

Columbia Falls High has one of the outstanding high school music departments in Montana.

COLUMBIA FALLS HIGH SCHOOL MUSIC DEPARTMENT PRESENTS THE THIRD ANNUAL MUSICALE, MAY 18-19, 1962, WITH THE DON LAWRENCE BAND, AND RON BOND CHORUS

I CONCERT CHOIR

Star Spangled Banner
Monotone..... N. Lockwood
Shrimp Boats..... Arr. Ades
Soloists: Alan Johnson, Shirley Walsh.
Come Dearest Lord..... J. S. Bach
Soloist: Lynne Sunell.
Three Hungarian folk songs..... M. Seiber
September Song..... K. Weill, R. Hunter
A Bushel and a Peck..... Loesser, Simeone

CONCERT BAND

Fantasy on American Sailing Songs
Clare Grundman
Marchmanship..... Howard Cable
Student director: Sharlot Battin.
Adventure in Westland..... Clair Johnson
Five Mellow Winds

Solo groups: Gene Massman, Larry Cada, Gary Luce, Ken Whelan, Bob Bigham.
Glacier Fantasy..... Eugene Weigel
Choir and band finale.

"Glacier Fantasy" was written especially for CFHS Band and Chorus by Eugene Weigel, composer in residence at Montana State University. The introduction of the "Fantasy" depicts the early days of Glacier National Park when it was inhabited by Indians. The lumbering walk of Glacier bears is heard in the March section which follows. The hymn portion of the composition, sung by the chorus, is in praise of the Almighty for his masterpiece in creating our Glacier Park. The chorale by the band and the finale by both band and chorus is the final and ultimate tribute.

We feel very fortunate and honored to be the first to perform a composition by Mr. Weigel. I'm sure the composer's ability is clearly demonstrated throughout the entire piece.

We thank you, Mr. Weigel.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued August 1, 1962
For actions of July 31, 1962
87th-2d, No. 132

CONTENTS

Agricultural attaches...10	Buildings.....10	Dairy program.....3,20
Air pollution.....9	Civil defense.....5	Extension work.....6
Appropriations.....1,12,25	Commission.....24	Farm program.....11
Assistant Secretaries....8	Committee assignments...18	Fisheries.....15
Atomic energy.....18	Communications.....17	Foreign aid.....21
		Foreign trade.....4,14
		Forest roads.....22
		Reclamation.....2,13
		Recreation.....15,23
		Research.....7
		Rural areas.....24
		Surplus property.....16
		Taxation.....19
		Trade fairs.....14
		Wildlife.....16

HIGHLIGHTS: Several Senators urged early consideration of farm bill. House committee voted to report bill to provide additional research facilities for experiment stations. House received conference report on Labor-HEW appropriation bill. Rep. Marshall commended dairy program as passed by the House. Rep. Hansen commended President's announced program to assist lumber industry.

HOUSE

1. LABOR-HEW APPROPRIATION BILL, 1963. Received the conference report on H. R. 10904, the Departments of Labor and Health, Education, and Welfare, and related agencies appropriation bill for 1963 (H. Rept. 2100)(pp. 14123-5, 14127). As explained by the House conferees, the conferees agreed to an amendment which "Restores language proposed by the House and stricken by the Senate, amended to provide a 20 percent limitation on funds which may be expended for indirect costs of research projects instead of 15 percent. The committee of conference desires that the Department carefully review the expenses incurred under research grants with a view to allowing no more than the actual expenses for indirect costs in cases where such indirect costs amount to less than 20 percent of the direct costs."
2. RECLAMATION. Began and concluded general debate on H. R. 575, to authorize the Secretary of the Interior to construct, operate, and maintain the upper division of the Baker Federal reclamation project, Ore. pp. 14089-90, 14094-102

Began and concluded general debate on S. 2008, to authorize the construction operation, and maintenance of the Spokane Valley project, Wash. pp. 14090-1, 14102-7

3. DAIRY PROGRAM. Rep. Marshall commended the voluntary dairy program in the new farm bill as passed by the House and inserted an editorial, "Dairy Plan Has Real Merit." p. 14114
4. FOREIGN TRADE. Rep. Dent criticized the proposed Trade Expansion Act of 1962 and inserted several editorials. pp. 14117-8
5. CIVIL DEFENSE. Received from Defense a report on property acquisitions of emergency supplies and equipment by the Office of Civil Defense. p. 14126
6. EXTENSION WORK. The Judiciary Committee reported without amendment H. Con. Res. 474, extending the greetings and felicitations of the Congress to the Bethel Home Demonstration Club of Bethel Community, Sumter County, S. C. (H. Rept. 2086). p. 14126
7. RESEARCH. The Agriculture Committee voted to report (but did not actually report) H. R. 12712, to assist States to provide additional research facilities at State agricultural experiment stations. p. D659
8. ASSISTANT SECRETARIES. The Subcommittee on Health and Safety of the Interstate and Foreign Commerce Committee voted to report to the full committee with amendment S. 2073, to authorize two additional Assistant Secretaries in the Department of Health, Education, and Welfare. p. D660
9. AIR POLLUTION. The "Daily Digest" states that the Subcommittee on Health and Safety of the Interstate and Foreign Commerce Committee voted to report to the full committee "a clean bill on air pollution control providing for a 2-year extension and authorization of \$5 million a year." p. D660
10. BUILDINGS. The "Daily Digest" states that the Rules Committee "Granted an open rule, with 2 hours of debate, on H. R. 11980, to amend the Foreign Service Buildings Act," including agricultural attache housing. p. D660

SENATE

11. FARM PROGRAM. Several Senators urged early consideration of the farm bill and suggested that it be made the next order of business after the communications satellite bill is disposed of. pp. 14180-4
12. LEGISLATIVE BRANCH APPROPRIATION BILL, 1963. The Appropriations Committee reported with amendments this bill, H. R. 11151 (S. Rept. 1791). p. 14176
13. RECLAMATION. The Subcommittee on Irrigation and Reclamation of the Interior and Insular Affairs Committee voted to report to the full committee with amendments S. 308, authorizing construction of the upper division of the Baker reclamation project, Ore., and S. 892, authorizing construction of the Arbuckle reclamation project, Okla. p. D658
14. FOREIGN TRADE; TRADE FAIRS. The Commerce Committee voted to report with amendment (but did not actually report) S. 3389, to promote the foreign commerce of the U. S. through the use of mobile trade fairs. p. D658
15. FISHERIES; RECREATION. The Commerce Committee voted to report with amendment (but did not actually report) H. R. 1171, to increase the public benefits from the national fish and wildlife conservation areas through their incidental or

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued August 8, 1962
For actions of August 7, 1962
87th-2d, No. 137

ID.....	18	Farm labor.....	14, 22	Research.....	26
Animal quarantine.....	26	Farming.....	21	Recreation.....	17
Appropriations...	18, 29	Federal aid.....	27	Retirement.....	4
Attache housing.....	19	Foreign trade.....	6	Taxation.....	25
Buildings.....	19	Forest products.....	25	Tobacco.....	8, 20
Cooperatives.....	11	Land-grant colleges.....	24	Trade fairs.....	3
Credit unions.....	23	Laws.....	28	Under Secretaries.....	2
Economics.....	13	Natural resources.....	9	Water resources.....	16
Electrification.....	12	Personnel.....	4	Wildlife.....	2, 5
Estes case.....	7	Property.....	26	Youth Conservation	
Farm bill.....	10	Reclamation.....	1, 16	Corps.....	15

HIGHLIGHTS: House subcommittee voted to report bill for development of Federal-State outdoor recreation. Sen. Javits submitted amendments to foreign trade bill. Sen. Dirksen inserted items regarding alleged gift of cattle to Eisenhower by Estes. Sen. McCarthy inserted article commending farm cooperatives.

SENATE

1. RECLAMATION. The Interior and Insular Affairs Committee reported with amendments S. 103, to authorize the construction of the Auburn-Folsom south unit, American River division, Central Valley project, Calif. (S. Rept. 1859). p. 14703
2. WILDLIFE; UNDER SECRETARIES. The Commerce Committee reported without amendment S. 3504, to permit the Under Secretaries of Interior, Agriculture and Commerce to serve as members of the Migratory Bird Conservation Commission (S. Rept. 1856). p. 14703
3. TRADE FAIRS. The Commerce Committee reported with amendments S. 3389, to promote the Commerce of the U. S. through the use of mobile trade fairs (S. Rept. 1850). p. 14703
4. PERSONNEL. The Post Office and Civil Service Committee reported with amendments S. 3164, to amend the Civil Service Retirement Act so as to increase, in the case of children attending school, from eighteen to twenty-one, the maximum age

for receiving benefits under the Act (S. Rept. 1855), and S. 2937, to amend the Civil Service Retirement Act so as to provide for increases in certain annuities eliminate the option with respect to certain survivor annuities, and provide for interchange of retirement and social security credits (S. Rept. 1854). p. 14703

5. FISH AND WILDLIFE CONSERVATION. The Commerce Committee reported with amendments H. R. 1171, to increase the public benefits from the national fish and wildlife conservation areas through their incidental or secondary use for public recreation (S. Rept. 1858), and S. 1542, to authorize Interior to conduct studies of the genetics of sport fishes and carry out selective breeding of such fishes valuable in programs of research, fish hatchery production, and management of recreational fishery resources (S. Rept. 1857). p. 14703
6. FOREIGN TRADE. Sen. Javits submitted amendments intended to be proposed to the foreign trade bill, including an amendment for the establishment of a council of advisers, composed of representatives of industry, agriculture, and labor groups, to advise U. S. negotiators. pp. 14705-7
7. ESTES. Sen. Dirksen inserted several items discussing allegations that former President Eisenhower received a cow as a gift from Billie Sol Estes. pp. 14723-4
8. TOBACCO. Sen. Moss inserted and commended an article by the director of the statistical research section of the American Cancer Society, "The Effects of Smoking." pp. 14712-7
9. NATURAL RESOURCES. Sen. Moss inserted excerpts from a recent speech by Sen. Morse in Salt Lake City, including comments on the importance of natural resource conservation. pp. 14717-9
10. FARM BILL. Sen. Douglas inserted an article, "Trouble in the Filibuster's Wake - Mansfield's Accord with Republicans on Farm Bill is Viewed as Risky." p. 14722
11. COOPERATIVES. Sen. McCarthy inserted an article by the executive director of the Cooperative League of the U. S. on the purpose and importance of cooperatives, "Cooperatives Offer Emerging Nations a Private Way." pp. 14729-30
12. ELECTRIFICATION. Continued debate on S. 3153, to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal plants in that region and to guarantee electric consumers in other regions reciprocal priority. Agreed to a unanimous-consent agreement by Sen. Mansfield to limit debate on the bill beginning Wed., Aug. 8. pp. 14728-9, 14770-8
13. ECONOMICS. Sen. McCarthy inserted a digest of remarks by professor Arthur R. Upgren on "the economic progress which has been made in the United States and raises some questions and problems which have not been satisfactorily solved." pp. 14730-2
14. FARM LABOR. Sen. Williams, N. J., expressed concern over education opportunities available to children of migratory farm workers and inserted an article, "Migrant Pupils Miss Schooling." pp. 14739-40
15. YOUTH CONSERVATION CORPS. Sen. Humphrey inserted an editorial supporting establishment of a Youth Conservation Corps. pp. 14778-9
16. WATER RESOURCES; RECLAMATION. Sen. Proxmire expressed opposition to legislation authorizing the Fryingpan-Arkansas project, stating that "it is foolish to spend so large a sum of money to increase the fertility and productivity of land

MOBILE TRADE FAIRS

AUGUST 7, 1962.—Ordered to be printed

Mr. ENGLE, from the Committee on Commerce, submitted the following

R E P O R T

[To accompany S. 3389]

The Committee on Commerce, to whom was referred the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

PURPOSE OF THE BILL

The purpose of this bill is to increase the sale of U.S. goods and products in foreign trade by stimulating private enterprise to develop and operate mobile trade fairs designed to exhibit such goods and products in foreign ports and commercial centers.

GENERAL STATEMENT

This legislation would authorize the Secretary of Commerce to provide technical assistance, as well as limited financial aid to persons operating mobile trade fairs which are of value in promoting the sale abroad of American goods and products.

Exhibits at land-based trade fairs have long been recognized as an effective tool in promoting foreign sales. The United States has, in the past few years, given increasing emphasis to participation in such international displays, and at least a part of our increase in exports can be traced to these trade fairs.

It has similarly become apparent that, with proper planning and guidance, the use of ships, planes, or other vehicles for mounting mobile or traveling trade fairs may have demonstrable advantages. In recent years Japan, Australia, Sweden, and Spain, as well as other nations, have employed mobile exhibits in seeking new markets for their products.

The primary advantage of a travelling trade fair is its mobility. The same exhibits can be shown and demonstrated at an unlimited number of sites, without the expense and other problems incurred in breaking down and then reassembling each display. Moreover, exhibition locations are unlimited—every major port would be within reach of our exhibitors. Those manufacturers who took part in mobile trade fairs would thus receive much broader coverage of potential markets at a relatively low cost, certainly much lower than the cost of staging separate exhibits in each of the areas or countries involved.

Mobile trade fairs would complement our present trade fair, trade center and trade mission programs. Its goal would be the same, promoting our foreign commerce through an expansion of export sales. There should no longer be any need to catalog the reasons for promoting exports, since the Senate is apparently well aware of the impelling nature of this program. Suffice it to say that our balance of payments, while improving, still results in dangerous deficits, national unemployment continues to be a major concern, and our agricultural surpluses cause a constant drain on the Treasury. Increased exports should provide, at the very least, substantial relief in each category.

The Federal Government now provides a variety of services to manufacturers who desire to explore foreign markets for potential customers. The Department of Commerce and the Department of State have combined their efforts to service the needs of American agriculture and business in search of international markets. As stated above, this bill would provide an additional service at a low cost to the public. It should be noted that suggestions have been made that the United States should emulate Japan and those other nations which have provided trade-fair ships to carry and display their products in foreign ports. Your committee has rejected this proposal because of the high cost involved, probably in the neighborhood of \$5 million, and since we feel that under our system this is really an area where private enterprise should take the initiative.

The technical services which the Department of Commerce, and other relevant agencies, could provide to the operators of mobile trade fairs might include, but not necessarily be limited to, the following:

- (a) Information on market potentials;
- (b) Leads to possible exhibitors;
- (c) Alerting of Embassy and commercial officers to arrival of fair;
- (d) Facilitating entrance and clearance at foreign ports;
- (e) Providing public relations assistance abroad;
- (f) Aiding in arranging for exhibition space;
- (g) Providing backup information, such as the availability of credit guarantees and insurance.

Such financial assistance as might be provided to the operators of the trade fair would be limited to expenses incurred overseas. This bill authorizes the expenditure of counterpart funds, where available, in order to minimize dollar outlays which would otherwise be spent to facilitate and promote these exhibits. Since at the present time there are only a relatively few currencies which we hold in excess of normal requirements, it would be anticipated that the Department of Commerce would have to use funds from its appropriations to cover the purposes of this legislation.

Financial aid abroad would be limited to, at most, the actual out-of-pocket expenses incurred by the operators of the mobile trade fair at its ports of call. Such items as the cost of entrance and clearance through customs, of dockage, of handling exhibits that would be taken from the ship to a separate exhibition site, of guarding service, and of providing utilities to the mobile trade fair, might be covered by Government aid. But it should be noted that this bill contemplates that the major source of funds for the operation of mobile trade fairs would come from private enterprise. Since there is a profit motive involved, either on the part of the exhibitors or the operators of the mobile trade fair, or both, these persons would be expected to bear the major share of the total cost of the operation.

In addition, it is conceivable that the Department of Commerce, the U.S. Information Agency, or such other Federal agency or department as was so inclined, might become an exhibitor in the mobile trade fair, and would in such cases pay to the operator the regular rate charged other exhibitors.

COMMITTEE ACTION

Your committee held public hearings on this bill on July 23, 1962. At that time it heard favorable testimony from the Department of Commerce. In addition, testimony favoring the legislation was given by representatives of two different groups interested in promoting and operating mobile trade fairs, as well as from a representative of an organization presently operating mobile trade fairs. Moreover, over 60 letters were received from businesses and organizations throughout the Nation supporting this bill. All suggestions and recommendations for amendments to this bill have been considered by your committee.

AMENDMENTS

The bill was amended to include U.S.-flag aircraft, as well as U.S.-flag vessels, at the request of the Air Transport Association of America. Your committee hopes that our airlines will be able to take a part in this program, and therefore made the benefits of this legislation available to U.S.-flag aircraft used in mobile trade fair operations. Although the Department of State suggested eliminating the language limiting this bill to operations on U.S.-flag vessels (and aircraft), since "it is the policy of the United States not to specify flag carriers for cargoes of a commercial nature", your committee determined to maintain this language in the bill since the exhibits would not in any sense be commercial cargo. These exhibits would not be offered for sale, but would be expected to return eventually to the United States.

In accordance with the suggestion of the Comptroller General of the United States, the word "officials" in section 4 of the bill has been changed to read "agencies".

Your committee deleted the words "and directed" in line 4 of page 1 of the bill in order to signify that the Secretary of Commerce is not required under the terms of this bill to provide either technical or financial assistance to operators of mobile trade fairs, but that he has authority to provide such assistance when, in his discretion, he determines the operation to be an efficient and economical means of promoting exports.

AGENCY COMMENTS

The Comptroller General of the United States suggested certain amendments to S. 3389, some of which were adopted by your committee. The Department of Agriculture offered no pertinent comment on the bill.

The Department of State and the Department of Commerce favor the purpose of this legislation.

The reports follow:

THE SECRETARY OF COMMERCE,
Washington, D.C.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in reply to your request for the views of this Department with respect to S. 3389, a bill to promote the foreign commerce of the United States through use of mobile trade fairs.

The bill would authorize and direct the Secretary of Commerce to encourage the development, organization, and use of mobile trade fairs designed to show and sell the product of United States in foreign ports and commercial centers. The bill would further direct the Secretary to provide to the operators of such mobile trade fairs technical assistance and financial support to defray "certain expenses incurred abroad."

This Department favors the underlying objective of this bill, namely, to contribute to the promotion of our foreign commerce. We also favor the use of all practicable methods and facilities that may be used to display and exhibit the products and services of U.S. industry and business in the interest of expanding our foreign markets. Exhibiting at land-based trade fairs has long been recognized as an effective means to these ends and we are aware that under some circumstances the use of ships or other vehicles for mounting a mobile or traveling trade fair may have demonstrable advantages.

As you know, this Department has for some time been engaged in a program of joint Government-industry exhibits at established trade fairs in leading centers of trade and industry abroad. These have proved most effective both as trade promotion devices and also as means for furthering understanding, friendship, and respect abroad for the American private enterprise system. We recognize, as we have said, that soundly conceived and economically operated mobile trade exhibits could contribute to the same purpose, although as a matter of priority and in the interest of making the best possible use of our resources, our experience and participation in this field is confined to land-based exhibits.

I am enclosing, for your convenient reference, a copy of our report to this committee, dated August 24, 1961, with respect to Senate Joint Resolution 73, entitled "World Trade Ship Act of 1961," in which we set forth in some detail a number of considerations bearing on the possible utility of a ship traveling trade fair program. While we would not object to the enactment of a discretionary authorization, as contemplated by S. 3389, for some Government participation and limited financing of certain oversea costs involved in mobile trade

fairs, we are not in a position from experience to testify to the need therefor or its proper scope and extent.

It has been brought to our attention by staff members of your committee that S. 3389 was drafted in contemplation of one particular plan of operation sponsored by a group of several ship operators doing business as Mobile Trade Fairs, Inc., but it is presumably intended that the authority for Government assistance could be used for other kinds of mobile trade fair enterprises. While there may be some advantages to providing such authority in fairly broad terms, it is believed that the legislation should insofar as practicable define the intended scope and nature of the Government's financial assistance to such enterprises in terms of their actual need and justification, demonstrated effectiveness in the interest of trade promotion generally, and in some proper relationship to the nature and extent of the private investment involved. It is our understanding that your committee intends to receive testimony from various interested industry sources along these lines. We should be glad to give further consideration to this matter on the basis of such additional information as may be developed in your forthcoming committee hearings.

The Bureau of the Budget advised there would be no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

THE SECRETARY OF COMMERCE,
Washington, D.C., August 24, 1961.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in reply to your request of April 24, 1961, for the views of this Department with respect to Senate Joint Resolution 73, a joint resolution for a World Trade Ship Act of 1961 to promote the foreign commerce of the United States through the use of ships, and other appropriate craft and motor vehicles for traveling trade fairs.

Senate Joint Resolution 73 would authorize and direct the Department of Commerce to institute a program of mobile trade fairs, using such vessels, aircraft, or motor vehicles as may be assigned to it from time to time by other departments of the Government for this purpose. It would further request the President to consider the assignment of the first atom-powered merchant vessel (the *NS Savannah*) for temporary duty as a traveling trade fair and merchant ships from the reserve fleet for such purpose, in addition to available surplus Navy vessels. The Department of Commerce would also thereby be authorized to refit the *NS Savannah* and merchant ships, to originally equip any new vessels, and to man and operate such vessels as mobile trade fairs to any ports of the world to increase U.S. exports.

The Department of Commerce would be authorized to make reasonable charges for space on the vessels and for services and these fees could be applied to maintaining and operating the vessels or other mobile trade fairs. In addition the bill would make available for the

mobile trade fairs counterpart funds not otherwise committed and authorize the appropriation of other necessary funds. The Department would also be authorized to use helicopters and aircraft based on converted trade ship carriers, visual aids, and any and all other suitable display equipment.

As we understand it, this resolution is intended to implement one of the recommendations of the Senate Small Business Committee, looking to the promotion of export sales of U.S. small business, among others. We assume, also, that the proposed legislation is intended to supplement the general type of trade-fair activities now carried on by the Department under the International Cultural Exchange and Trade Fair Participation Act of 1956 (Public Law 860, 84th Cong.).

This Department, of course, favors the underlying objective of this resolution, and believes that trade fairs are an effective means of promoting the foreign trade and commercial relations between the United States and other friendly countries. We also favor the use of all practicable methods and facilities that may assist in dramatizing the ingenuity, resourcefulness, and good will of American business and industry. Because the use of ships appears to be the most practical proposal and is given greatest consideration in the resolution, this report considers this matter primarily.

The Department has given careful consideration to the problems involved and to the advantages as compared with the land-based type of trade fair exhibits. We have reluctantly concluded that it would not be feasible to undertake and put into operation the full-scale ship type of mobile trade fair program at this time as contemplated by the resolution, and, therefore, do not favor the legislation. The Department would, incidentally, have sufficient general authorization under the provisions of S. 1729, as recently reported favorably by your committee, to investigate and undertake, if feasible and desirable, floating exhibits of varying types.

With particular respect to the NS *Savannah*, the first atom-powered merchant vessel, it will not be available for some time for unrestricted voyages, and it appears that its use for mobile trade fairs must be postponed until substantial operating experience is gained. Foreign visits for this nuclear vessel are contingent upon the successful conclusion of acceptance agreements which are now being negotiated and on which there is some uncertainty because of unresolved nuclear indemnification problems. The *Savannah* was authorized by Congress, after extended discussion of its intended use, as a joint undertaking of the Maritime Administration and the Atomic Energy Commission. Trade-fair use was not contemplated, and the assignment of the ship to that function would undoubtedly restrict its operations and its utilization for nuclear and maritime commercial applications. The Maritime Administration believes that the *Savannah* should be operated as planned as a commercial ship, and as much operating experience as possible obtained to provide needed information for future nuclear ship designs. Accordingly, it is recommended that any consideration for its use as a mobile trade fair vehicle should be deferred until a minimum of 2 years operating experience has been obtained.

The Maritime Administration also reports that there are presently in the national defense reserve fleet approximately 50 C-4 type ships which could be remodeled and fitted out for exhibit purposes, but

only at substantial expense. It is estimated that at least \$1,500,000 would be required to activate and convert each ship for trade fair use. The Maritime Administration further points out that selection of methods of operation and manning of vessels as traveling trade fairs would require careful study and planning. It is estimated that the operating costs of each C-4 type vessel converted to a traveling trade fair would not be less than \$5,000 per day.

There are certain advantages to using a ship as a traveling trade fair. These include ease of transportation from country to country; the high publicity value of a floating trade fair, since it is a less conventional type of trade fair exhibition; greater savings from one-time design and construction costs per ship per year, assuming the exhibit content remains the same for each voyage covering possibly 15 to 20 ports per year; and the greater opportunity to improve the dramatic, showmanship features as local reactions are determined in the various ports of exhibition, in view of the relative continuity of exhibition.

Without attempting to minimize the possible utility of a ship traveling trade fair program, however, we believe it important to note certain factors which contribute to limiting the effectiveness of, and desired response to, such a mobile trade fair, as contrasted with a land-based exhibition in an international trade fair. Port cities are not necessarily the commercial or cultural centers of a country, and such a situation would seriously limit attendance even by businessmen; at many ports dockage is either unavailable or limited and in such cases the ship trade fair could not be placed on exhibition for an adequate period of time to produce the results sought. In addition, it would not be possible on one voyage to visit each port in different countries with an exhibition adopted to the economy of each country so visited, because of the relatively fixed content of a ship trade fair.

It should be noted that exhibit items actually displayed on board ship from port to port are not readily available for immediate sale and delivery if exhibit items are to remain the same from port to port, on a voyage. A problem here is whether participating business firms can be expected to make available on board ship stocks of an article in order to assure a supply in the event of a possible sale. The time schedule of a ship trade fair and the physical characteristics of the ship itself raise serious questions as to whether sufficient exhibit animation could be introduced into a ship exhibit and whether large numbers of visitors could quickly move through the exhibition on board.

Assuming that most participating firms will not find it practicable to furnish a supply of an article, items cannot be left behind with a local distributor or agent to dispose of them after the ship departs, thus making the venture worthwhile to the participating firm. In the case of a land-based trade-fair exhibition, most, if not all, exhibit items displayed are usually available for sale and delivery at the site, and the host country is able to plan in advance of the time of exhibition so as to provide import licenses and dollar allocations for such sales. Finally, it appears unlikely that a ship fair exhibition would reach as many businessmen of other countries per year, as a land-based exhibition does in one international trade fair. In established international trade fairs as many as 30 or more countries participate, and interested businessmen from these participating and other countries attend.

The Bureau of the Budget advises there would be no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

DEPARTMENT OF STATE,
Washington, D.C., July 20, 1962.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Commerce,
U.S. Senate.*

DEAR MR. CHAIRMAN: This is in response to your request of June 11, 1962, for the comments of the Department of State on S. 3389, a bill to promote the foreign commerce of the United States through the use of mobile trade fairs.

The Department considers the promotion of our export trade essential to a correction of our balance of payments deficit and hence, to the carrying out of our foreign policy objectives. As the committee is aware, the Department in cooperation with the Department of Commerce is actively engaged in upgrading and strengthening the trade promotion activities of the Foreign Service. Our commercial officers have found that one of the most effective means of promoting trade opportunities is by actual display of U.S. products in the foreign marketplace. Mobile trade fairs provide such a means and we, therefore, support this type of activity. However, we recognize that the Department of Commerce would have primary responsibility for implementing S. 3389 and we defer to that agency's views as to the feasibility of such a program.

In this connection, the Department is familiar with the pioneering in this field done by the Isbrandtsen Co., as cited by Senator Engle in introducing this measure to the Senate. Our posts abroad, including several Ambassadors and consuls general have cooperated with company representatives in generating publicity for the exhibits, making arrangements with local governments and promoting attendance by potential customers. While some difficulties were encountered, posts in general report favorable results in terms of new trading connections as well as public relations.

In view of the foreign relations aspects as well as the necessary support of mobile fairs by our posts, the Department assumes that it will be brought into the programing envisioned in section 4.

The Department also notes the cargo preference provisions in section 2, page 2. As you are aware, it is the policy of the United States not to specify flag carriers for cargoes of a commercial nature. This has been a continuing policy established in the long-term interests of the American international merchant marine industry. Moreover, treaties of friendship, commerce, and navigation with several countries, accord national treatment, with certain exceptions relating to national security or the strategic nature of the cargo, to vessels of each contracting government with respect to the right to carry articles to or from the territory of the other. The exceptions stated in the treaties do not appear to cover trade fair cargoes. Accordingly, the Department

suggests deletion of the last clause of section 2, page 2, beginning with the word "provided" and ending with the word "exhibits".

In making the foregoing suggestion the Department recognizes that in practice, these mobile trade fairs would be expected to move on U.S. flag vessels where available. Thus, the Department regards the provision as adding nothing from a practical point of view, as well as being undesirable in that it would amount to a deviation in statute from our international shipping policy.

The Department has been advised by the Bureau of the Budget that from the standpoint of the administration's program there is no objection to the submission of this report.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary
(For the Acting Secretary of State).

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, June 22, 1962.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate

DEAR MR. CHAIRMAN: We again refer to your letter of June 11, 1962, in which you asked for our comment on S. 3389.

The proposal to establish a program of mobile trade fairs is primarily a matter of policy for determination by the Congress. Since the program would not directly affect the functions of our Office, and since we have no special information concerning the desirability of the proposed bill, we have no recommendation to make as to its consideration by your committee on the merits.

However, we note that section 2 of the bill authorizes the Secretary of Commerce to provide to the operator or operators of mobile trade fairs technical assistance and support "as well as financial assistance for the purpose of defraying certain expenses incurred abroad." It might be advisable to identify with some particularity the nature of the expenses for which assistance may be provided and to establish some limitation on the amount of such assistance. It also might be advisable to have in the bill a requirement that the Secretary of Commerce include in his annual report to the Congress details as to the extent of the technical and financial assistance provided, so that the Congress will be kept informed of the progress and cost of the program. We suggest that the word "officials," lines 17 and 18, page 2 of the bill, might be properly be changed to read "agencies."

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 23, 1962.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Commerce,
U.S. Senate.*

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 3389 to promote the foreign commerce of the United States through the use of mobile trade fairs.

The bill would authorize and direct the Department of Commerce to encourage the development, organization and use of mobile trade fairs designed to show and sell the products of U.S. business and agriculture, large and small, in foreign ports and commercial centers throughout the world. Counterpart funds are to be expended for this purpose and only U.S.-flag vessels are to be used in the transportation of the exhibits.

The Department of Agriculture has considered but has not undertaken mobile trade fairs of the type provided for in the resolution under the agricultural export market development program. Such a program would serve a useful purpose. However, we have concluded that the advantages of this type of operation are more than offset by the difficulties and costs involved, as compared with land-based exhibits.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

CHANGES IN EXISTING LAW

There are no changes in existing law.



Calendar No. 1807

87TH CONGRESS
2^D SESSION

S. 3389

[Report No. 1850]

IN THE SENATE OF THE UNITED STATES

JUNE 8, 1962

Mr. ENGLE introduced the following bill; which was read twice and referred to the Committee on Commerce

AUGUST 7, 1962

Reported by Mr. ENGLE, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To promote the foreign commerce of the United States through the use of mobile trade fairs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Commerce, in addition to his authority
4 under any other Act, is hereby authorized ~~and directed~~ to en-
5 courage the development, organization, and use of mobile
6 trade fairs designed to show and sell the products of United
7 States business and agriculture, large and small, in foreign
8 ports and commercial centers throughout the world.

9 SEC. 2. To effectuate the carrying out of the purposes of
10 this Act, the Secretary of Commerce is authorized to pro-
11 vide to the operator or operators of such mobile trade fairs

1 technical assistance and support as well as financial assist-
2 ance for the purpose of defraying certain expenses incurred
3 abroad, when the Secretary determines that such operations
4 provide an economical and effective means of promoting ex-
5 port sales, provided that such assistance shall only be made
6 available where the operator or operators of the mobile trade
7 fairs exclusively use United State-flag vessels *and aircraft* in
8 the transportation of their exhibits.

9 SEC. 3. The Department of Commerce is authorized to
10 expend for the purpose of this Act such so-called counterpart
11 funds as may not be otherwise committed.

12 SEC. 4. For the purpose of devising a program of assist-
13 ance to the operator or operators of mobile trade fairs, the
14 Secretary of Commerce may use such interagency commit-
15 tees as may now be available to him, or he may create a
16 Mobile Trade Fair Committee, but in either event the Small
17 Business Administration shall be among the Government ~~offi-~~
18 ~~cials~~ *agencies* assisting in the development of said program.

87TH CONGRESS
2D SESSION

S. 3389

[Report No. 1850]

A BILL

To promote the foreign commerce of the United States through the use of mobile trade fairs.

By Mr. ENGLE

JUNE 8, 1962

Read twice and referred to the Committee on
Commerce

AUGUST 7, 1962

Reported with amendments

Aug 1, 1962

17. COMMUNICATIONS. The Foreign Relations Committee was authorized to file a report on H. R. 11040, the communications satellite bill, after adjournment of the Senate. p. 15060
18. TRANSPORTATION. Passed without amendment H. R. 11643, to amend the Interstate Commerce Act so that the users of motor-water services between Alaska and Hawaii and the other 48 States may have the same benefits of through routes and joint rates which are enjoyed by users of motor-water services among the other 48 States, and by users of rail-water services or any combination of service with air services among all of the 50 States. This bill will now be sent to the President. pp. 15081-2
19. PURCHASING. Passed without amendment H. R. 8100, to allow GSA to charge to the consuming agencies the transportation cost of items of supply sent them by request. This bill will now be sent to the President. p. 15068
20. FISHERIES. Passed as reported S. 1542, to authorize Interior to conduct studies of the genetics of sport fishes and carry out selective breeding of such fishes to develop strains valuable in programs of research, hatchery production, and management of recreational fishery resources. pp. 15078-9
Sen. Gruening commended an announcement that the President "is requesting \$500,000 for research and development of processes to produce a concentrated protein from fish." pp. 15033-4
21. COPYRIGHTS. Sen. Proxmire criticized the practice of copyrighting Government publications, and inserted an article, "Profits From Public Papers: The Government Copyright Racket." pp. 15019-21
22. RECLAMATION. The Interior and Insular Affairs Committee reported with amendments S. 3162, to approve an amendatory repayment contract negotiated with the Quincy Columbia Basin Irrigation District (S. Rept. 1872). p. 14990
23. FOREIGN AGRICULTURE. Sen. Proxmire inserted an article, "Chinese Found Apathetic as Economy Deteriorates," which cited the shortage of food as causing unrest in Communist China. p. 15017
24. INTEREST RATES. Sen. Proxmire inserted an article contending that "the administration appears to be intent on a policy of tight money now and at least in the near future." pp. 15017-9
25. MARKETING. Sen. Neuberger inserted two articles critical of the trend of packaging merchandise for sale to the public. pp. 15021-2
26. PASSED OVER the following bills:
S. 3614, suspension of Jones Act provisions regarding domestic shipment of lumber by water. p. 15075
- ED OVER: S. 3389, promotion of U. S. foreign commerce through the use of mobile trade fairs. p. 15076
S. 2937, to increase certain retirement annuities. p. 15077
S. 3164, to increase the age of children who may receive retirement benefits. p. 15078
S. 103, Auburn-Folsom reclamation project, Calif. p. 15079
S. 3517, program to promote flow of domestically produced lumber in commerce. p. 15079
27. LEGISLATIVE PROGRAM. Sen. Mansfield announced that the Senate will resume consideration of H. R. 11040, the communications satellite bill, on Fri., Aug. 10, and that he anticipated consideration of the bill "will take some time." p. 15060

ITEMS IN APPENDIX

28. FOREST RESEARCH. Speech in the House of Rep. Johnson, Calif., saying there is a need for additional forestry research. pp. A6097-8
29. PEACE CORPS. Extension of remarks of Rep. Boggs inserting an editorial commending the Peace Corps, "A Rebuke to the Cynics." p. A6100
30. FARM PROGRAM. Extension of remarks of Rep. Findley inserting an editorial, "Another Snag for Farm Controls." p. A6105
Extension of remarks of Sen. Wiley inserting a speech, "Needed: Simplified Handbook of Farm Laws," pp. A6105-6
Extension of remarks of Rep. Bloomfield inserting an article criticizing the farm program. p. A6111
Extension of remarks of Rep. Marshall inserting a statement by the Independent Bankers Association opposing the CED report. pp. A6113-4
31. WILDERNESS. Extension of remarks of Rep. Dwyer inserting an editorial supporting the wilderness bill. p. A6115

BILLS INTRODUCED

32. RESEARCH. H. R. 12849, by Rep. Bates, to authorize the Secretary of the Interior to construct two modern stern ramp trawlers to be used for research; to Merchant Marine and Fisheries Committee.
33. VETERAN'S BENEFITS. H. R. 12850, by Rep. Conte, to amend title 38, United States Code, to provide vocational rehabilitation, education, and training, and loan guarantee benefits to persons who served in the Armed Forces on or after January 1, 1962, in combat zones; to Veterans Affairs Committee.
34. TOBACCO. H. R. 12855, by Rep. Johnson, Wis., to amend the Agricultural Adjustment Act of 1938 relating to the lease and transfer of tobacco acreage allotments; to Agriculture Committee
35. TRADE FAIRS. H. R. 12857, by Rep. Pucinski, to develop the American merchant marine and to promote the foreign commerce of the United States through the use of mobile trade fairs; to Interstate and Foreign Commerce Committee.
36. WATER RESOURCES. S. Res. 374, by Sen. Proxmire, concerning the discount rate in analyzing the benefit-cost ratio of water resource development projects; to Interior and Insular Affairs Committee. Remarks of author pp. 14991-15002.

0

COMMITTEE HEARINGS:

- Aug. 10: Program of agricultural land development in Alaska, S. Agriculture (Larson, ASCS, to testify).
Farm policy recommendations of CED, H. Agriculture (public witnesses).
Estes investigation, S. Gov't Operations.
Foreign trade bill, S. Finance.
- Aug. 14: Establishment of land conservation fund, S. Interior (Cliff, FS, and Yount, SCS, to testify).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued August 21, 1962
For actions of August 20, 1962
87th-2d, No. 147

Laws.....	17,35
Life insurance.....	3
Loans.....	19
National defense.....	36
Oceanography.....	25
Personnel.....	3,12,20
Political activity.....	20
Prices.....	31
Property.....	4
Public Law 480.....	10
Public works.....	29
Radioactive food.....	34
Reclamation.....	16
Reports.....	10
Roads.....	28
Science.....	18
Small business.....	13
Stockpiling.....	14
Trade fairs.....	5
Travel expenses.....	20
Veterans.....	23
Wildlife.....	4

CONTENTS

Atomic energy.....	34	Feed grains.....	1
Awards.....	18	Food additives.....	33
Communications.....	15	Food and drugs.....	6
Copyrights.....	11	Food prices.....	9
Data processing.....	27	Foreign affairs.....	8
Electrification.....	7	Foreign agriculture.....	9
Employment.....	32	Foreign trade.....	2,5,32
Extension service.....	22	Forestry.....	21
Farm labor.....	26	Holidays.....	12
Farm program.....	1,30	Imports.....	32

HIGHLIGHTS: Senate debated farm bill. Sen. Proxmire urged continuation of voluntary feed grains program. Sen. Humphrey expressed concern over Common Market tariffs on agricultural imports. Sen. Humphrey discussed possible effects of Common Market on communist-dominated countries. Sen. Tower inserted article discussing pros and cons of Britain joining Common Market. Sen. Long, Mo., commended USDA conferences on land and people. House passed bill to add lands to certain national forests. House passed bill to revise distribution formula for extension funds.

SENATE

1. FARM PROGRAM. Continued debate on H. R. 12391, the farm bill (pp. 16044, 16063-85, 16098-101). Agreed to an amendment by Sen. Humphrey expressing the sense of Congress that private trade channels should be used to the maximum extent possible in the marketing of farm commodities (p. 16085). Agreed to an amendment by Sen. Humphrey expressing the sense of Congress that the services and facilities of farmer owned and operated associations of producers should be utilized when the Secretary determines their use will result in more effective or economical administration of programs (p. 16085). Sens. Keating, Tower, Ellender, Young, N. Dak., Russell, Fulbright, and Hart submitted amendments intended to be proposed to this bill (pp. 16022-3, 16091).

Sen. Proxmire commended and urged extension of the voluntary feed grains program, and inserted an item critical of the farm policy report of the Committee for Economic Development. pp. 16045-7

Sen. Long, Mo., commended the regional conferences on land and people sponsored by this Department to be held during Sept. and Oct. p. 16039

2. FOREIGN TRADE. Sen. Humphrey expressed concern over the possible adverse effects of the new tariff system of the European Common Market on the exports of U. S. farm commodities, stated that the "United States cannot afford to sacrifice its agricultural trade with an expanded European Economic Community," and inserted an article on the subject. pp. 16087-8

Sen. Humphrey discussed the probable effects of the European Common Market on the communist-dominated countries of Eastern Europe and inserted articles discussing the situation. pp. 16101-5

Sen. Tower stated that there "are some very compelling reasons why Britain should not join" the European Common Market and inserted an article, "EEC: The Case Against Joining." pp. 16050-1

3. PERSONNEL. Passed without amendment H. R. 8564, to provide for the escheat of the unclaimed payments under the Government life insurance program to the credit of the life insurance fund. This bill will now be sent to the President. p. 16036

4. WILDLIFE; PROPERTY. Passed without amendment S. 2358, to authorize transfers to the Secretary of the Interior of excess real property which GSA determines is useful for the purpose of wildlife conservation and authorizes State wildlife agencies to obtain such property determined to be chiefly valuable for wildlife conservation. pp. 16033-4

5. TRADE FAIRS. Passed as reported S. 3389, to promote the foreign commerce of the U. S. through the use of mobile trade fairs. pp. 16105-6

6. FOOD AND DRUGS. The "Daily Digest" states that the Judiciary Committee "announced that it had completed consideration of additional amendments recommended by the President to S. 1552, proposed Drug Industry Antitrust Act...and agreed to report to the Senate an amendment to serve as a substitute for the text of the bill as reported by the committee on July 19, 1962." p. D746

7. ELECTRIFICATION. Sen. Mansfield and others commended the Bonneville Power Administration on its 25th anniversary. pp. 16023-33

8. FOREIGN AFFAIRS. Sens. Morse and McCarthy inserted speeches by Brazilian Ambassador Campos on problems involved in our relations with Latin America. pp. 16040-4

9. FOOD; FOREIGN AGRICULTURE. Sen. Proxmire inserted an article on the food situation in Cuba, "Rise in Food Prices in Havana Continues as Quality Declines." p. 16049

10. PUBLIC LAW 480. Both Houses received from the President the 16th semiannual report on activities under Public Law 480 (H. Doc. 526). pp. 15904, 16021

11. COPYRIGHTS. The Judiciary Committee reported without amendment H. J. Res. 627, to continue until Dec. 31, 1965, the renewal term of any copyright, subsisting on the date of approval of the resolution, where such renewal term would otherwise expire prior to Dec. 31, 1965 (S. Rept. 1888). p. 16022

12. HOLIDAYS. The Judiciary Committee reported without amendment S. J. Res. 217, making Sept. 17 each year a legal holiday to be known as Constitution Day (S. Rept. 1902). p. 16022

fact that after 44 years, their economy still has very little fat to absorb the additional cost of any major switch in policy or planning. For the first time since the war, the Soviet Union finds itself truly on the defensive.

The fact is, the Khrushchev appeal for tighter integration of the East European economies was nothing more than an appeal for adopting the superstructure of the Common Market without having the substructure. For the Russians to try to adopt the substructure of the Common Market would constitute a revolution in every East European country—something no Communist leader would or could permit. And, short of a revolution that would make possible a radical overhaul of the agricultural system and introduction of industrial efficiency, the Russians appear to be unable at the moment to come up with a feasible economic response to the challenge of the Common Market.

MOBILE TRADE FAIRS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and the Senate proceed to the consideration of S. 3389.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with amendments, on page 1, line 4, after the word "authorized", to strike out "and directed"; on page 2, line 7, after the word "vessels", to insert "and aircraft"; and in line 17, after the word "Government", to strike out "officials" and insert "agencies"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, in addition to his authority under any other Act, is hereby authorized to encourage the development, organization, and use of mobile trade fairs designed to show and sell the products of United States business and agriculture, large and small, in foreign ports and commercial centers throughout the world.

SEC. 2. To effectuate the carrying out of the purposes of this Act, the Secretary of Commerce is authorized to provide to the operator or operators of such mobile trade fairs technical assistance and support as well as financial assistance for the purpose of defraying certain expenses incurred abroad, when the Secretary determines that such operations provide an economical and effective means of promoting export sales, provided that such assistance shall only be made available where the operator or operators of the mobile trade fairs exclusively use United States-flag vessels and aircraft in the transportation of their exhibits.

SEC. 3. The Department of Commerce is authorized to expend for the purpose of this Act such so-called counterpart funds as may not be otherwise committed.

SEC. 4. For the purpose of devising a program of assistance to the operator or operators of mobile trade fairs, the Secretary of Commerce may use such interagency com-

mittees as may now be available to him, or he may create a Mobile Trade Fair Committee, but in either event the Small Business Administration shall be among the Government agencies assisting in the development of said program.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an excerpt from the report of the Committee on Commerce on the bill be printed in the RECORD at this point.

There being no objection, the excerpt from the report (No. 1850) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this bill is to increase the sale of U.S. goods and products in foreign trade by stimulating private enterprise to develop and operate mobile trade fairs designed to exhibit such goods and products in foreign ports and commercial centers.

GENERAL STATEMENT

This legislation would authorize the Secretary of Commerce to provide technical assistance, as well as limited financial aid to persons operating mobile trade fairs which are of value in promoting the sale abroad of American goods and products.

Exhibits at land-based trade fairs have long been recognized as an effective tool in promoting foreign sales. The United States has, in the past few years, given increasing emphasis to participation in such international displays, and at least a part of our increase in exports can be traced to these trade fairs.

It has similarly become apparent that, with proper planning and guidance, the use of ships, planes, or other vehicles for mounting mobile or traveling trade fairs may have demonstrable advantages. In recent years Japan, Australia, Sweden, and Spain, as well as other nations, have employed mobile exhibits in seeking new markets for their products.

The primary advantage of a traveling trade fair is its mobility. The same exhibits can be shown and demonstrated at an unlimited number of sites, without the expense and other problems incurred in breaking down and then reassembling each display. Moreover, exhibition locations are unlimited—every major port would be within reach of our exhibitors. Those manufacturers who took part in mobile trade fairs would thus receive much broader coverage of potential markets at a relatively low cost, certainly much lower than the cost of staging separate exhibits in each of the areas or countries involved.

Mobile trade fairs would complement our present trade fair, trade center and trade mission programs. Its goal would be the same, promoting our foreign commerce through an expansion of export sales. There should no longer be any need to catalog the reasons for promoting exports, since the Senate is apparently well aware of the impelling nature of this program. Suffice it to say that our balance of payments, while improving, still results in dangerous deficits, national unemployment continues to be a major concern, and our agricultural surpluses cause a constant drain on the Treasury. Increased exports should provide, at the very least, substantial relief in each category.

The Federal Government now provides a variety of services to manufacturers who desire to explore foreign markets for potential customers. The Department of Commerce and the Department of State have combined their efforts to service the needs of American agriculture and business in search of international markets. As stated above, this bill would provide an additional service at a low cost to the public. It should be noted that

suggestions have been made that the United States should emulate Japan and those other nations which have provided trade-fair ships to carry and display their products in foreign ports. Your committee has rejected this proposal because of the high cost involved, probably in the neighborhood of \$5 million, and since we feel that under our system this is really an area where private enterprise should take the initiative.

The technical services which the Department of Commerce, and other relevant agencies, could provide to the operators of mobile trade fairs might include, but not necessarily be limited to, the following:

- (a) Information on market potentials;
- (b) Leads to possible exhibitors;
- (c) Alerting of Embassy and commercial officers to arrival of fair;
- (d) Facilitating entrance and clearance at foreign ports;
- (e) Providing public relations assistance abroad;
- (f) Aiding in arranging for exhibition space;
- (g) Providing backup information, such as the availability of credit guaranties and insurance.

Such financial assistance as might be provided to the operators of the trade fair would be limited to expenses incurred overseas. This bill authorizes the expenditure of counterpart funds, where available, in order to minimize dollar outlays which would otherwise be spent to facilitate and promote these exhibits. Since at the present time there are only a relatively few currencies which we hold in excess of normal requirements, it would be anticipated that the Department of Commerce would have to use funds from its appropriations to cover the purposes of this legislation.

Financial aid abroad would be limited to, at most, the actual out-of-pocket expenses incurred by the operators of the mobile trade fair at its ports of call. Such items as the cost of entrance and clearance through customs, of dockage, of handling exhibits that would be taken from the ship to a separate exhibition site, of guarding service, and of providing utilities to the mobile trade fair, might be covered by Government aid. But it should be noted that this bill contemplates that the major source of funds for the operation of mobile trade fairs would come from private enterprise. Since there is a profit motive involved, either on the part of the exhibitors or the operators of the mobile trade fair, or both, these persons would be expected to bear the major share of the total cost of the operation.

In addition, it is conceivable that the Department of Commerce, the U.S. Information Agency, or such other Federal agency or department as was so inclined, might become an exhibitor in the mobile trade fair, and would in such cases pay to the operator the regular rate charged other exhibitors.

Mr. KEATING. Mr. President, S. 3389 gives the Department of Commerce the authority to use a new technique as part of our program to promote American exports. It allows for the establishment of floating mobile trade fairs to show our products to better advantage in markets throughout the world. These fairs would be set up on ships and would be moved from port to port to exploit new markets for American goods. They would be especially helpful to small businesses in the United States who manufacture goods which can and should be sold in world markets.

I am hopeful that the Department of Commerce will find this new technique to be a useful weapon in our arsenal of economic weapons to expand trade. I

am delighted that there are New Yorkers from the great port city of New York who are interested in this new program. I call attention particularly to the work in this area done by the Isbrandtsen Lines who were ably represented at the hearing on this bill by Mr. Christopher A. Betjamann, acting executive vice president. Mr. Betjamann's testimony was of great value to the committee, and as a member of the Commerce Committee, I am delighted to call attention to his contribution. I hope that the already quite successful efforts of Isbrandtsen plus this new legislation will mean that we will be able to make even greater use of this technique in the years ahead.

Mr. HUMPHREY. Mr. President, I make note of the fact that the measure has been strongly supported by the Senator from California [Mr. ENGLE]. He was very desirous of having the bill relating to mobile trade fairs acted upon prior to the consideration of the communications satellite bill. Upon his urging and insistence we have taken up the bill today. We commend the Senator from California, and the Committee on Commerce, which reported the bill unanimously.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 20, 1962, he presented to the President of the United States the following enrolled bills:

S. 2020. An act to amend part IV of subtitle C of title 10, United States Code, to authorize the Secretary of the Navy to develop the South Barrow gasfield, Naval Petroleum Reserve No. 4, for the purpose of making gas available for sale to the native village of Barrow and to other non-Federal communities and installations, and for other purposes; and

S. 3428. An act relating to the appointment of judges to the municipal court for the District of Columbia, the municipal court of appeals for the District of Columbia, and the juvenile court of the District of Columbia.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 42 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, August 21, 1962, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate, August 20, 1962.

IN THE NAVY

Vice Adm. Harold T. Deutermann, U.S. Navy, for appointment as a U.S. representative of the Military Staff Committee of the United Nations as a senior member in accordance with title 10, United States Code, section 711.

The following named officers for appointment to the grade of vice admiral while serving pursuant to title 10, United States Code, section 5231, having designated them for commands and duties determined by the President to be within the contemplation of said section:

Rear Adm. Paul D. Stroop, U.S. Navy.

Rear Adm. Horacio Rivero, Jr., U.S. Navy.

Rear Adm. Thomas H. Moorner, U.S. Navy.

The following-named officers for appointment to the grade of vice admiral on the retired list in accordance with title 10, United States Code, section 5233.

Vice Adm. Charles Wellborn, Jr., U.S. Navy.

Vice Adm. Robert B. Pirie, U.S. Navy.

Vice Adm. Clarence E. Ekstrom, U.S. Navy.

87TH CONGRESS
2^D SESSION

S. 3389

IN THE HOUSE OF REPRESENTATIVES

AUGUST 23, 1962

Referred to the Committee on Interstate and Foreign Commerce

AN ACT

To promote the foreign commerce of the United States through
the use of mobile trade fairs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That the Secretary of Commerce, in addition to his authority
4 under any other Act, is hereby authorized to encourage the
5 development, organization, and use of mobile trade fairs
6 designed to show and sell the products of United States
7 business and agriculture, large and small, in foreign ports
8 and commercial centers throughout the world.

9 SEC. 2. To effectuate the carrying out of the purposes of
10 this Act, the Secretary of Commerce is authorized to pro-
11 vide to the operator or operators of such mobile trade fairs

AN ACT

To promote the foreign commerce of the United States through the use of mobile trade fairs.

AUGUST 23, 1962

Referred to the Committee on Interstate and Foreign
Commerce

S. 3389

IN THE HOUSE OF REPRESENTATIVES

AUGUST 23, 1962

Referred to the Committee on Interstate and Foreign Commerce

AUGUST 27, 1962

The Committee on Interstate and Foreign Commerce discharged, and referred
to the Committee on Merchant Marine and Fisheries

AN ACT

To promote the foreign commerce of the United States through
the use of mobile trade fairs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Commerce, in addition to his authority
4 under any other Act, is hereby authorized to encourage the
5 development, organization, and use of mobile trade fairs
6 designed to show and sell the products of United States
7 business and agriculture, large and small, in foreign ports
8 and commercial centers throughout the world.

9 SEC. 2. To effectuate the carrying out of the purposes of
10 this Act, the Secretary of Commerce is authorized to pro-
11 vide to the operator or operators of such mobile trade fairs

1 technical assistance and support as well as financial assist-
2 ance for the purpose of defraying certain expenses incurred
3 abroad, when the Secretary determines that such operations
4 provide an economical and effective means of promoting ex-
5 port sales, provided that such assistance shall only be made
6 available where the operator or operators of the mobile trade
7 fairs exclusively use United States-flag vessels and aircraft in
8 the transportation of their exhibits.

9 SEC. 3. The Department of Commerce is authorized to
10 expend for the purpose of this Act such so-called counterpart
11 funds as may not be otherwise committed.

12 SEC. 4. For the purpose of devising a program of assist-
13 ance to the operator or operators of mobile trade fairs, the
14 Secretary of Commerce may use such interagency commit-
15 tees as may now be available to him, or he may create a
16 Mobile Trade Fair Committee, but in either event the Small
17 Business Administration shall be among the Government
18 agencies assisting in the development of said program.

Passed the Senate August 20, 1962.

Attest;

FELTON M. JOHNSTON,

Secretary.

AN ACT

To promote the foreign commerce of the United States through the use of mobile trade fairs.

AUGUST 23, 1962

Referred to the Committee on Interstate and Foreign
Commerce

AUGUST 27, 1962

The Committee on Interstate and Foreign Commerce
discharged, and referred to the Committee on
Merchant Marine and Fisheries

Sept 20, 1962

- 3 -

House

14. MONOPOLIES. The Subcommittee No. 5 of the Judiciary Committee voted to report to the full committee with amendment H. R. 3465, to reaffirm the national public policy and purposes of Congress in enacting the Robinson-Patman Anti-Price-Discrimination Act. p. D873
15. TRADE FAIRS. The Merchant Marine and Fisheries Committee voted to report (but did not actually report) with amendment S. 3389, to promote the foreign commerce of the U. S. through the use of mobile trade fairs. p. D873
16. COMPACTS. The Merchant Marine and Fisheries Committee voted to report (but did not actually report) S. 3431, to consent to the amendment of the Pacific Marine Fisheries Compact and to the participation of certain additional States in such compact in accordance with the terms of such amendment. D. 873

SENATE

17. FARM PROGRAM. Agreed to a unanimous-consent agreement by Sen. Mansfield to consider the conference report on H. R. 12391, the farm bill, Tues., Sept. 25, and to vote on adoption of the report at 3 p.m. that day. pp. 18959-60
Sen. Curtis criticized the President for not taking action to end the Chicago and North Western Railway strike which is affecting the shipment of agricultural commodities, urged enactment of legislation, if necessary, to end the strike, and inserted several items on the strike. pp. 18892-4
18. PERSONNEL. Sen. Williams, Del., stated that "early in April it was called to my attention that certain employees of the Department of Agriculture were abusing their annual and sick leave and were padding their official travel vouchers," and inserted his correspondence with the Civil Service Commission over one alleged case in REA p. 18902
Sen. Johnston, on behalf of the Post Office and Civil Service Committee, ^{this} was granted permission to file a report on the Federal pay and postal rate bill ^{this} weekend during adjournment of the Senate. p. 18980
19. FORESTRY. Sen. Engle commended the four-point program proposed by the boards of supervisors of nine northern Calif. counties to aid the lumber industry and inserted their resolution on the proposal. p. 18900
20. RECLAMATION. Passed without amendment H. R. 11164, to approve an amendatory repayment contract negotiated with the Quincy Columbia Basin Irrigation District and authorize similar contracts with any of the Columbia Basin irrigation districts (pp. 18953-60). This bill will now be sent to the President. By a vote of 13 to 61, rejected a proposed amendment by Sen. Miller to prohibit for 10 years the use of water from the project for the production on newly irrigated lands of any basic agricultural commodity in surplus supply (pp. 18953-9). Consideration of a similar bill, S. 3162, was indefinitely postponed (p. 18960).
Passed without amendment H. R. 575, to authorize the Secretary of the Interior to construct the upper division of the Baker reclamation project, Ore. This bill will now be sent to the President. pp. 18960-72
21. LAW; COURTS. Concurred in the House amendments to H. R. 1960, to make it possible to bring actions against Government officials and agencies in the U.S. district courts outside D. C., which, because of certain existing limitations on jurisdiction and venue, may now be brought only in the U. S. District Court for D. C. This bill will now be sent to the President. p. 18972

22. STOCKPILING. Passed without amendment H. R. 12416, to waive the statutory requirement for a 6-month waiting period before GSA is authorized to dispose of 4,000 long tons of chestnut tannin extract from the national stockpile. This bill will now be sent to the President. pp. 18972-3
Agreed to without amendment H. Con. Res. 509, expressing Congressional approval for the disposal by GSA of approximately 12,245 tons of chestnut tannin extract from the national stockpile. p. 18973
23. MINERALS. Conferees were appointed on S. 3451, to provide relief for residentia occupants of unpatented mining claims upon which valuable improvements have been placed. House conferees have not been appointed. pp. 18918-9
24. LEGISLATIVE BRANCH APPROPRIATION BILL, 1963. Agreed to the conference report on this bill, H. R. 11151, and acted on amendments in disagreement. This bill will now be sent to the President. pp. 18914-6
25. NOMINATIONS. Confirmed the nomination of W. Willard Wirtz to be Secretary of Labor. pp. 18884-5
26. FISHERIES. The Commerce Committee reported S. Res. 392, expressing the sense of the Senate that the President should propose an International Conference on the Conservation of Fishery Resources. p. 18885
27. TRANSPORTATION. Sen. Bartlett inserted an article commending Sen. Magnuson for receiving the thirteenth annual National Transportation Award of the National Defense Transportation Association. pp. 18897-8
28. LEGISLATIVE PROGRAM. Sen. Mansfield stated that the school lunch fund apportionment bill will probably be considered Fri., Sept. 21. p. 18959

ITEMS IN APPENDIX

29. FARM PROGRAM; PERSONNEL. Extension of remarks of Rep. Cooley commending Secretary Freeman, stating that "Orville Freeman has provided fine leadership and by his intelligent devotion to duty he has endeared himself to the Members of Congress and to his countrymen," and inserting Drew Pearson's article, "Orville L. Freeman, the Farmers Champion." p. A6970
30. NOMINATIONS. Extension of remarks of Rep. Burke stating that in selecting Anthony J. Celebrezze as Secretary of HEW, President Kennedy has "added another truly outstanding member to his official family." pp. A6978-9

BILLS INTRODUCED

31. FARM PROGRAM. H. R. 13183, by Rep. Clem Miller, to amend the Agricultural Adjustment Act of 1933 as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 as amended; to Agriculture Committee.
32. RECLAMATION. H. R. 13184, by Rep. Sisk, to provide for the payment of compensation, including severance damages, for rights of way acquired by the United States in connection with reclamation projects the construction of which commenced after January 1, 1961; to Interior and Insular Affairs Committee.
33. WATER POLLUTION. H. R. 13186, by Rep. Blatnik, to amend the Federal Water Pollution Control Act to provide financial assistance to municipalities and others for the separation of combined sewers; to Public Works Committee. Remarks of author, p. A6968-9

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Sept. 24, 1962

For actions of Sept. 21, 1962

87th-2d, No. 171

Library services.....	37
Lumber industry.....	20,35
Migratory birds.....	8
Mining.....	9
Perishable commodities....	1
Personnel.....	6
Public works.....	34
Research.....	30
Ryukyu Islands.....	25
School lunch.....	18
Tariffs.....	6,7
Taxation.....	28
Textiles.....	31
Tobacco.....	22
Trade fairs.....	13,24
Transportation.....	15
User charges.....	19
Water compacts.....	10
Wildlife.....	27
Wilderness.....	2,33

CONTENTS

Adjournment.....	16,29	Farm program.....	3,17,32
Appropriations.....	4	Foreign aid.....	21,30
Area redevelopment.....	23	Forestry.....	20
Buildings.....	26	Household effects.....	6
Cotton.....	5,32	Information.....	11
Drugs.....	14	Inspection services.....	19
Education.....	36	Lands.....	9
Farm labor.....	12,15	Legislative program.....	15

HIGHLIGHTS: Sen. Mansfield defended ASC committees against recent criticism. Sens. Pearson and Mundt criticized conference report on farm bill. Sen. Humphrey commended USDA on its centennial anniversary. Sen. Neuberger inserted article on Oregon Dunes National Seashore controversy. Sen. Mundt urged aid for lumber industry. Senate passed school lunch fund apportionment bill. Sen. Humphrey expressed concern over House reductions in foreign aid appropriation bill. Sen. Monroney inserted article urging user charges on inspection services at airports. Rep. Dole criticized debate on farm bill conference report. Rep. Saylor criticized committee action on wilderness bill. Rep. Derwinski criticized cotton program.

HOUSE

1. PERISHABLE COMMODITIES. Both Houses agreed to the conference report on S. 1037, to amend the Perishable Agricultural Commodities Act as follows: Clarifies provisions dealing with the eligibility for license, or for employment by licensees, of persons guilty of specified acts and persons affiliated with them; authorizes an increase of license fees from \$25 per year to such higher rate not above \$50 as may prove necessary; eliminates the Export Apple and Pear Act from the acts administered with license fees received under the Perishable Agricultural Commodities Act, and authorizes appropriations to carry out the Export Apple and Pear Act; regulates the use of trade names by licensees to prevent deception; provides that opportunity for an oral hearing need not be provided in reparation cases unless the amount in dispute exceeds \$1,500 (instead of \$500); makes it clear that in an appeal from a reparation order bond must be filed within 30 days after entry of the order and provides that the bond shall be in cash, negotiable securities, or the undertaking of a recognized surety company, and defers license suspension in case of appeal until all judicial appeals have ended. This bill will now be sent to the President. pp.

19113, 19199

2. WILDERNESS. Rep. Saylor criticized Rep. Aspinall's defense of the action of the Interior and Insular Affairs Committee on the wilderness bill. pp. 19131-2
3. FARM PROGRAM. Rep. Dole criticized the debate on the conference report on H. R. 12391, the proposed Food and Agriculture Act of 1962, saying, "It is regrettable the Wheat Subcommittee chairman of the House Committee on Agriculture would not permit an exchange of questions and answers." pp. 19107-8
4. APPROPRIATIONS. Rep. Cannon inserted a table of appropriation bills, 87th Congress, 2nd session, as of Sept. 21, 1962. pp. 19132-3
5. COTTON. Rep. Derwinski criticized the cotton program and urged that "the Government ... get out of the cotton business and restore that commodity to a free market." p. 19127
6. PERSONNEL. By a vote of 324 to 8, agreed to the conference report on H. R. 12180, to extend until July 1, 1964, the existing provisions of law permitting the free importation of personal and household effects brought into the U.S. under Government orders. pp. 19108-11
7. TARIFFS. Agreed to the conference report on H. R. 6682, to provide for the exemption of fowling nets from duty. p. 19112
8. MIGRATORY BIRDS. The Merchant Marine and Fisheries Committee reported with amendment S. 3504, to provide for alternate representation of secretarial officers on the Migratory Bird Conservation Commission (H. Rept. 2453). p. 19144
9. MINING. Conferees were appointed on S. 3451, to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed. Senate conferees have already been appointed. p. 19126
Agreed to the conference report on H. R. 8134, to effect a statutory withdrawal of certain former Taylor Grazing Act lands near Phoenix, Ariz., from all forms of entry under the public land laws. p. 19127
Agreed to the conference report on H. R. 10566, to provide for the withdrawal and orderly disposition of mineral interests in certain public lands Pima County, Ariz. p. 19127
10. COMPACTS. The Merchant Marine and Fisheries Committee reported without amendment S. 3431, to consent to the amendment of the Pacific Marine Fisheries Compact and to the participation of certain additional States in such compact in accordance with the terms of such amendment (H. Rept. 2454). p. 19144
11. INFORMATION. The Government Operations Committee issued a report pertaining to safeguarding of official information (H. Rept. 2456). p. 19144
12. FARM LABOR. The Rules Committee reported a resolution for the consideration of S. 1123, to amend the Fair Labor Standards Act of 1938, to extend the child labor provisions thereof to certain children employed in agriculture. p. 19144
13. TRADE FAIRS. The Merchant Marine and Fisheries Committee reported with amendments S. 3389, to promote the foreign commerce of the U.S. through the use of mobile trade fairs (H. Rept. 2463). p. 19144

PROMOTING THE FOREIGN COMMERCE OF THE UNITED STATES THROUGH THE USE OF MOBILE TRADE FAIRS

SEPTEMBER 21, 1962.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BONNER, from the Committee on Merchant Marine and Fisheries, submitted the following

R E P O R T

[To accompany S. 3389]

The Committee on Merchant Marine and Fisheries, to whom was referred the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That title II of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et. seq.), is amended by adding immediately after section 212(A) thereof (46 U.S.C. 1122a) the following new section:

“SEC. 212. (B)(a) The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs (1) which to the extent they are transported by vessel shall be transported by vessels of United States registry to foreign ports and (2) which are designed to show and sell the products of United States business and agriculture at such foreign ports and at other commercial centers throughout the world.

“(b) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section.”

SEC. 2. Section 104(m) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting immediately before “, and (B)” the following: “or section 212(B) of the Merchant Marine Act, 1936”.

Amend the title so as to read:

To amend the Merchant Marine Act, 1936, to develop the American merchant marine and promote the foreign commerce of the United States through the use of mobile trade fairs.

PURPOSE OF THE BILL

The purpose of this bill, as hereby reported, is to authorize and direct the Secretary of Commerce to provide assistance toward the development of the American merchant marine and the promotion of the foreign commerce of the United States through the use of portable export exhibits, generally referred to as "mobile trade fairs." The bill reported by your committee would accomplish this purpose through amendment to section 212 of the Merchant Marine Act of 1936, as amended.

Experience to date indicates that a program of trade promotion and development through the active participation of the Government, the American maritime industry, and American exporters will eventually be virtually self-supporting, with a need for only a minimum of Government financial assistance. Accordingly, the bill, as hereby reported, limits the authorization of appropriated funds to not to exceed \$500,000 for a fiscal year for each of the 3 fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. The bill further provides that use may be made of foreign currencies or counterpart funds owned by or owed to the United States to aid in carrying out its purposes.

THE AMENDMENTS

The amendments to this bill consist of striking out all after the enacting clause and substituting in lieu thereof the text of H.R. 12533, and amending the title to conform to the title of H.R. 12533, as that bill was amended by your committee.

The objectives of S. 3389 as it passed the Senate and H.R. 12533 as considered by your committee are the same except your committee, by amending title 2 of the Merchant Marine Act of 1936, as amended, emphasizes the intent to develop the American merchant marine as well as to promote the foreign commerce of the United States.

The bill as it passed the Senate contemplated the transportation of the mobile trade fairs by U.S.-flag aircraft as well as U.S.-flag vessels. Although no testimony was received on this point your committee believes the idea to be highly meritorious. However, in view of the amendment to the Merchant Marine Act of 1936 it did not seem proper to include U.S.-flag aircraft in the coverage of this legislation. Your committee hopes that further consideration will be given to encourage trade promotion and development through the use of mobile trade fairs transported by American aircraft.

S. 3389, as it passed the Senate, specifically provided that the Small Business Administration should be among the Government agencies assisting in the development of the program. Your committee concurs that Small Business Administration should participate in the program, but did not specifically include such a reference in the bill as reported inasmuch as the general powers of the Secretary of Commerce and the provisions of section 212(d) of the Merchant Marine Act of 1936 contemplate liaison and cooperation among all Government agencies.

NEED FOR THE LEGISLATION

Following the termination of World War II, the entire world looked to the United States not only for the necessary food to sustain life,

but also for equipment necessary to rehabilitate their local industry. Under these circumstances, it was only natural then that the United States was referred to as the storehouse of the world.

The identical situation prevailed in shipping—most of the maritime nations' fleets were depleted by the war and, as a result, the demand for American vessels was unprecedented.

The intervening years have of course tremendously changed the picture and today we find that the European and Far Eastern nations, through rapid industrial recovery, are now competing in all of the world markets with quality products at competitive prices. Since the economy of those nations centers so completely about foreign sales, one can see their salesmen in every marketplace of the world. In keeping with this industrial advance, the maritime nations of Europe and the Far East have rapidly expanded their merchant fleets. Fast modern vessels are being launched in ever-increasing numbers.

The situation today is one where American manufacturers no longer can receive orders from abroad simply because they can supply the product. Instead, they, like their foreign competitors, must go into the marketplaces of the world and show and sell their products in a manner reminiscent of the Yankee trader of the past. To do this, however, involves a substantial expenditure, considering the high cost of air travel, expenses abroad, etc., and most small and medium manufacturers are not in a position to incur this expense for such type missionary work. More importantly, most small, and in many instances large businesses in the United States are not export conscious.

It is necessary, therefore, to find ways and means by which these small and medium manufacturers and producers can introduce their products in a foreign market in an effective and yet economical way.

BACKGROUND AND DISCUSSION OF THE LEGISLATION

In October 1960, Isbrandtsen Co., Inc., a leading American-flag steamship company, operating a regular round-world service, inaugurated a program known as mobile trade fairs on the theory that the merchants of these foreign countries, like their counterparts in the United States, wanted to see and touch the product before purchasing. The program also afforded an opportunity for these merchants abroad to see the wide range and high quality of American products available for export from the United States.

For the initiation of this program, Isbrandtsen was awarded the Export E Award by the Secretary of Commerce for outstanding service in trade promotion and development.

Mechanics of the Isbrandtsen plan

The mechanics of the operation were extremely simple. Isbrandtsen designed and constructed special aluminum containers which were 20 feet long, 8 feet high, and 8 feet wide. Both of the 20-foot sides were hinged at the top so that when raised, they provided a canopy over the exhibit area. Within the container, provision was made for eight exhibits, four on each side. Each exhibit space provided for 100-volt, 60-cycle power, generated by an electric plant accompanying the containers. By carrying 8 such containers, Isbrandtsen accommodated the exhibits of 64 American manufacturers within a particular

industry. Four such groups went forward, featuring in order, automotive equipment, household appliances, building materials, and finally industrial machinery.

The operation abroad was equally as simple. Prior to the arrival of the vessel, the Isbrandtsen agent, working closely with the American and local authorities, arranged for a suitable site where these exhibits would be shown. Simultaneously, they arranged for announcements in the press and personally invited the business people to attend the exhibition on arrival. Usually, the first and second days were reserved for the businessmen so they could inspect the products at their leisure. After that, the exhibition was opened to the general public. In all, the containers remained on the site for approximately 10 days, after which they were closed and returned to dockside for shipment on the next Isbrandtsen vessel to the next port of call, where the process would be repeated. In this manner, these exhibitions were shown at Beirut, Lebanon; Alexandria, United Arab Republic; Jeddah, Saudi Arabia; Karachi, Pakistan; Bombay, India; Singapore; Hong Kong; Keelung, Formosa; and Pusan, Korea.

To stimulate the interest and willingness of small businessmen and manufacturers, not previously in the export trade, Isbrandtsen Co. made no charge whatsoever for the service.

Success of the program demonstrated

The results of these exhibitions were far beyond the expectations of either Isbrandtsen Co., or for that matter, the participating manufacturers. In many, many instances, these manufacturers reported the successful appointment of agents interested in selling their product. Of even greater importance is the fact that so many of the manufacturers immediately commenced a worthwhile business with these newly appointed representatives and have even consummated repeat business. In areas where representation already existed, your committee was advised that business was stimulated. More than 70 letters sent by manufacturers to Members of Congress, have each attested to the effectiveness of the program.

With the effectiveness of the program proven beyond doubt, Isbrandtsen Co., Inc., feeling that this program could be used as an effective instrument in bolstering America's position throughout the world, turned the entire program over to a nonprofit organization known as Mobile Trade Fairs, Inc., so that it could be properly expanded.

American ships serve American trade

The American merchant marine is today facing greater competition on the high seas than at any time in its history. The American lines realize that their success is not dependent solely on the subsidy received from the U.S. Government, but rather on the quantity of cargo carried aboard their vessels. Thus their destiny is in the hands of the American manufacturers for unless these manufacturers can find markets for their products abroad, the American-flag steamship company is doomed to failure—subsidy or no subsidy.

Your committee is gratified to note that a number of the American-flag steamship companies recognize this fact and have picked up the challenge. They see in the mobile trade fair program a proven instrument in developing foreign markets and in addition to this they see in this program a practical method of fostering better relations with the exporters of the United States. In effect, the American-flag

operators will in reality become partners with American manufacturers in mutually developing markets, as well as commercial and good will ambassadors for the United States.

At the present time, three additional American steamship companies have agreed to transport these exhibitions to their ports of call free of expense. These lines are American Export Lines, Inc., Farrell Lines, and Grace Lines. In effect, this will mean that a manufacturer's exhibit will be shown at 57 foreign ports, free of charge.

Banks, freight forwarders, insurance companies, and port authorities interested in program

The steamship companies are not alone in feeling that their business success is dependent on a manufacturer's ability to sell in foreign markets for, in addition, insurance companies, banks, freight forwarders, etc., have a vital interest in foreign commerce. Accordingly, the Insurance Co. of North America has agreed to provide all-risk marine insurance at nominal rates on any American manufacturer's exhibit. Two banks, namely Irving Trust Co. and Bank of America have agreed to donate free letter-of-credit service on any orders generated through the mobile trade fair within 60 days after showing in a foreign country. It is hoped that the New York Foreign Freight Forwarders Association will contribute free documentary charges on the same basis.

The city of New York, recognizing the value of the program, is giving serious consideration to the donation of a waterfront property to serve as headquarters for Mobile Trade Fairs, Inc. This location would serve as a marshaling area where manufacturers' exhibits would be received each month and installed in containers prior to shipment overseas.

On this broadened basis, as an example of the impetus that the proposed program can give to our foreign trade, a new category of industrial and other products, consisting of 10 containers each with 8 exhibits, would go forward every month and would move from port to port throughout the free world. In effect, this would mean that over a period of 1 year, the exhibits of 960 American manufacturers and agricultural or other exporters would be shown—over a period of 3 years, 2,880 exhibits would be shown. Foreign markets would be literally saturated on a continuing basis with the products of America, whether they originated in New York, Oshkosh, or Kankakee, but one point would be clear—the merchants in the marketplaces of the world would know what America offered for sale.

Program in accord with existing merchant marine policy

This program is in complete accord with the objectives of section 212 of the Merchant Marine Act, 1936, which provides—

The Commission [Secretary of Commerce/Maritime Administration] is authorized and directed—

* * * * *

(b) To study, and cooperate with vessel owners in devising means by which—

(1) the importers and exporters of the United States can be induced to give preference to vessels under American registry;

* * * * *

(d) To establish and maintain liaison with such other boards, commissions, independent establishments, and departments of the United States Government, and with such representative trade organizations throughout the United States as may be concerned, directly or indirectly, with any movement of commodities in the water-borne export and import foreign commerce of the United States, for the purpose of securing preference to vessels of United States registry in the shipment of such commodities; and

* * * * *

How the Government will participate

The contributions being made by the steamship companies, banks, and insurance companies will exceed by far the assistance sought from the U.S. Government under the authorization of this bill. Private industry is willing to make this heavy contribution provided the U.S. Government will also contribute technical and financial assistance. Without such understanding, private industry could not afford the investment involved in the early stages to make the program effective.

Specifically, the type of Government assistance envisaged by the sponsors of this bill would be—

1. Facilitating entrance and clearance at foreign ports.
2. Public relations assistance abroad.
3. Arranging for exhibit space in foreign ports or commercial centers.
4. Financial assistance in foreign ports to defray expenses of entrance and clearance, truckage, site rental, security, labor, publicity, etc.
5. Financial assistance in foreign countries to defray the cost of transporting exhibits to and from interior cities where such cities represent the business center of the country.

It is anticipated that after the mobile trade fair and its benefits to participants become better known, the participating manufacturers would be willing to pay a fee sufficient to meet at least part of the expenses in the foreign ports, thus reducing and perhaps eventually eliminating the need for U.S. Government financial assistance.

Exhibition ships not the answer

Many of the industrial nations of the world have used exhibition ships as a means of introducing products in foreign markets, and there are many proponents of this idea in the United States.

While such type vessels to a limited degree serve their purpose in introducing some products in the port cities, there is no flexibility in arranging for product exhibition in the interior cities, oftentimes of far greater importance than the port city. In addition to this, such exhibition ships are extremely costly to operate and hold in port and have distinct limitations in the number of exhibits which can be accommodated over the course of a year as well as the number of places where they can be shown.

In contrast to this, the mobile trade fair concept is extremely inexpensive, is unlimited in number of exhibits that can be accommodated, and possesses complete flexibility in the movement to interior cities. As a matter of fact, in Isbrandtsen's experience the mobile

trade fair was easily transported by either rail or truck to inland cities such as Taipei, Formosa, and Seoul, Korea, without incident.

COST OF THE LEGISLATION

As heretofore indicated, the bill will not cost in excess of \$500,000 per year of appropriated funds for the fiscal years beginning July 1, 1962, and ending June 30, 1965. In addition, the use of foreign currencies owned by or owed to the United States is authorized.

AGENCY COMMENTS

All departments reporting favored the objectives of the bill. Your committee carefully considered departmental suggestions. Your committee particularly notes the report of the Under Secretary of Commerce to the effect that "it is questionable whether the proposed legislation should be accomplished by amendment to the Merchant Marine Act, 1936, inasmuch as the activity of the merchant marine under such a program would be merely incidental."

Contrary to this observation the activity of the merchant marine under the program contemplated by this bill is a major and vital part of such a program. In the opinion of your committee the administration of the program should be carried out through the Maritime Administration, rather than through other agencies within the Department of Commerce concerned with trade promotion through the use of land-based international trade fair, trade center, and trade mission programs. The concept in this bill in no way conflicts with these other splendid programs involving entirely different approaches. Moreover, your committee considers this bill to be complementary to the President's transportation message of April 4, 1962, in which he directed the Secretary of Commerce to implement fully section 212(d) of the Merchant Marine Act of 1936.

The departmental reports follow:

THE SECRETARY OF COMMERCE,
Washington, D.C., August 28, 1962.

HON. HERBERT C. BONNER,
*Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives,
Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in further reply to your request for the views of this Department with respect to H.R. 12533, a bill to amend the Merchant Marine Act, 1936, to develop the American merchant marine and promote the foreign commerce of the United States through the use of mobile trade fairs.

The bill would amend the Merchant Marine Act, 1936, to authorize and direct the Secretary of Commerce to encourage and promote the development and use of mobile trade fairs which (1) can be transported by vessels of U.S. registry to foreign ports, and (2) are designed to show and sell the products of U.S. business and agriculture at such foreign ports and at other commercial centers throughout the world.

This Department favors the underlying objective of this bill, namely, to contribute to the promotion of our foreign commerce. We also favor the use of all practicable methods and facilities that may be used to display and exhibit the products and services of U.S.

industry and business in the interest of expanding our foreign markets. Exhibiting at land-based fairs has long been recognized as an effective means to these ends and we are aware that under some circumstances the use of ships or other vehicles for mounting a mobile or traveling trade fair may have demonstrable advantages.

This Department has for some time been engaged in a program of joint Government-industry exhibits at established trade fairs in leading centers of trade and industry abroad. These have proven most effective, both as trade promotion devices and also as a means for furthering understanding, friendship, and respect abroad for the American private enterprise system. We recognize, as we have said, that soundly conceived and economically operated mobile trade exhibits could contribute to the same purpose, although as a matter of priority, and in the interest of making the best possible use of our resources, our experience and participation in this field is confined to land-based exhibits.

Although we would not object to the enactment of a discretionary authorization for some Government participation in, and limited financing of, certain oversea costs involved in mobile trade fairs, we are not in a position from experience to testify to the need therefor or its proper scope and extent. We therefore recommend that the bill be amended by striking out in line 7 on page 1 the word "shall" and inserting in lieu thereof the words "is authorized to". We also believe that the proposed subsection 212(B)(b) and section 2 of the bill are unnecessary. We understand that existing authority regarding the use of foreign currencies, with which these provisions deal, is sufficient for the purposes intended.

Finally, we have some reservations concerning the appropriateness of authorizing this program by an amendment to the Merchant Marine Act, 1936. Insofar as the merchant marine is concerned, anything that promotes the U.S. international trade is of potential benefit to the industry. However, it is noted that the bill only requires that the mobile trade fairs be such that they "can be transported by vessels of U.S. registry" but whether the bill would result in requiring their transportation on "privately owned U.S.-flag commercial vessels" would appear to be contingent upon whether the Government's activity designed to "encourage and promote the development and use" of such fairs might ultimately extend to activity which comes within the provision of section 901(b). In the absence of a provision requiring U.S.-flag preference or the inclusion of authority to charter reserve fleet vessels (as to which we doubt the necessity or desirability) it is questionable whether the proposed legislation should be accomplished by amendment to the Merchant Marine Act, 1936, inasmuch as the activity of the merchant marine under such a program would be merely incidental.

The Bureau of the Budget advised there would be no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

SMALL BUSINESS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., August 29, 1962.

Re H.R. 12533, to amend the Merchant Marine Act, 1936, to develop the American merchant marine and promote the foreign commerce of the United States through the use of mobile trade fairs; S. 3389, to promote the foreign commerce of the United States through the use of mobile trade fairs.

HON. HERBERT C. BONNER,
*Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in further reply to your letter of August 16, 1962, requesting our comments on H.R. 12533. It is also in response to an oral request from a member of your committee's staff that we comment on S. 3389 as passed by the Senate.

The bills would authorize the Secretary of Commerce to encourage the development and use of mobile trade fairs designed to show and sell the products of U.S. business and agriculture at foreign ports and commercial centers throughout the world. Necessary appropriations and use of counterpart funds would be authorized to provide financial assistance for such mobile trade fairs. Technical assistance by the Secretary of Commerce would also be authorized.

The Small Business Administration is wholeheartedly in favor of the objective of these bills to promote exports by means of showing and selling U.S. products at commercial centers throughout the world. It is noted that S. 3389 contains language, not to be found in H.R. 12533, emphasizing that SBA shall assist in the development of the program. SBA would, of course, expect to be consulted in the planning of such a program.

I would defer to the views of the Secretary concerning the specific features of the program contemplated by these bills.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

With kind regards, I am,
Sincerely,

IRVING MANESS,
Deputy Administrator
(For John E. Horne, Administrator).

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, August 28, 1962.

HON. HERBERT C. BONNER,
*Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives.*

DEAR MR. CHAIRMAN: This is in response to your request for a report on H.R. 12533 to amend the Merchant Marine Act, 1936, to develop the American merchant marine and promote the foreign commerce of the United States through the use of mobile trade fairs.

The bill would direct the Secretary of Commerce to encourage and promote the development and use of mobile trade fairs (1) which can

be transported by vessels of U.S. registry to foreign ports, and (2) which are designed to show and sell the products of U.S. business and agriculture at such foreign ports and at other commercial centers throughout the world.

The Department of Agriculture has considered but has not undertaken mobile trade fairs of the type provided for in H.R. 12533 under the agricultural export market development program. Such a program would serve a useful purpose. However, we have concluded that the advantages of this type of operation are more than offset by the difficulties and costs involved, as compared with land-based exhibits.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

DEPARTMENT OF STATE,
Washington, August 28, 1962.

HON. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives.

DEAR MR. CHAIRMAN: Your letter of July 17, 1962, which was acknowledged July 19, invited the Department to comment on H.R. 12533, a bill to amend the Merchant Marine Act, 1936, to develop the American merchant marine and promote the foreign commerce of the United States through the use of mobile trade fairs. The Department appreciates the opportunity to express its views on this proposed legislation.

The Department considers the promotion of our export trade essential to a correction in our balance-of-payments deficit and hence, to the carrying out of our foreign policy objectives. In this connection, the Department, in cooperation with the Department of Commerce, is actively engaged in upgrading and strengthening the trade promotion activities of the Foreign Service. Our commercial officers have found that one of the most effective means of promoting trade opportunities is by actual display of U.S. products in the foreign marketplace, such as is achieved by mobile trade fairs for trade promotion purposes. However, we recognize that the Department of Commerce would have primary responsibility for implementing H.R. 12533 and we defer to that agency's views as to the feasibility of such a program.

In this connection, the Department is familiar with the pioneering in this field done by the Isbrandtsen Co. Our posts abroad have cooperated with company representatives in making arrangements with local governments for displaying the mobile exhibits, and in generating attendance by potential customers. While some difficulties have been encountered, posts in general report favorable results in terms of new trading connections as well as public relations.

In view of the foreign relations aspects as well as necessary support of mobile fairs by our posts, the Department recommends that section 212(B)(a) be amended by inserting immediately following the

words "The Secretary of Commerce" the phrase "in consultation with the Secretary of State".

The provision relating to shipping in section 212(B)(a)(1) is not clear. As you are aware, it is the policy of the United States not to specify flag carriers for cargoes of a commercial nature. This has been a continuing policy established in the long-term interests of the American international merchant marine industry. Moreover, treaties of friendship, commerce, and navigation with several countries accord national treatment, with certain exceptions relating to national security or the strategic nature of the cargo, to vessels of each contracting government with respect to the right to carry articles to or from the territory of the other. The exceptions stated in the treaties do not appear to cover trade fair cargoes. Since mobile trade fairs of this nature would normally be expected to move in U.S.-flag vessels where available, the Department regards the provision as adding nothing from a practical point of view, and undesirable in that it would appear to deviate from our international shipping policy.

We note that appropriated funds may be used to purchase foreign currencies from the Treasury without a specific statutory directive such as that contained in H.R. 12533, and without further amendment of Public Law 480 as provided in section 2 of the bill.

The Department has been advised by the Bureau of the Budget that, from the standpoint of the administration's program, there is no objection to the submission of this report.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary
(For the Secretary of State).

THE GENERAL COUNSEL OF THE TREASURY,
Washington, August 29, 1962.

HON. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The attention of this Department has been called to S. 3389, to promote the foreign commerce of the United States through the use of mobile trade fairs, which is pending before your committee.

The proposed legislation would authorize the Secretary of Commerce to encourage the development, organization, and use of mobile trade fairs designed to show and sell the products of the U.S. business and agriculture in foreign countries. To effectuate this purpose the Secretary of Commerce would be authorized to provide the operators of such mobile trade fairs with technical assistance, and financial assistance to the extent of defraying certain expenses incurred abroad, provided the Secretary of Commerce determines that the mobile trade fairs provide an economical and effective means of promoting export sales.

The objectives sought to be achieved by the proposed legislation appear to be desirable in that the encouragement of U.S. foreign trade would have a beneficial effect on our balance of payments. With respect to the utility of the present proposal this Department defers to the views of the Department of Commerce. There is, however, one

aspect of the bill on which the Treasury Department would like to comment.

Section 3 of the bill would authorize expenditure of so-called counterpart funds. If section 3 is not intended to bypass the appropriation process, it should be noted that authority now exists under which the Secretary of Commerce could purchase counterpart as well as foreign currencies derived from other sources from Treasury accounts, to the extent such currencies can be utilized for the payment of U.S. expenses.

In section 1415 of the Supplemental Appropriation Act of 1953 (66 Stat. 637 (1952)) it is provided, *inter alia*, that foreign currencies owned by the Treasury will not be available for expenditure except as provided for annually in appropriation acts. The Treasury Department has supported the policy behind this act inasmuch as it creates an awareness of the cost to the United States of the foreign currencies owned by the Treasury and thereby promotes the most effective utilization of these currencies as well as facilitating budgetary control. Moreover, the term "so-called counterpart funds" is so vague as to cause difficulties in administration. This is because counterpart funds, strictly speaking, are only those foreign currencies which foreign governments receiving grant aid under the Economic Cooperation Act of 1948 and Mutual Security Acts were required to deposit in a special account in an amount commensurate with the amount of the aid. Only a small portion of these funds, usually 10 percent or less, were available to the United States for use in paying U.S. expenses in the depositing country. These "counterpart funds" are but one source of foreign currency available to the United States, with the largest amounts coming from sales of surplus agricultural commodities pursuant to title I of Public Law 480. It should be pointed out, however, that in most countries of Western Europe where mobile trade fairs might operate most advantageously there are no foreign currencies available, and in many other countries around the world where foreign currencies are available, the supply is only sufficient to meet official U.S. Government needs. The countries in which excess supplies exist are Burma, India, Poland, United Arab Republic, Pakistan, Yugoslavia, Indonesia, Israel, and Syria.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this report to your committee.

Sincerely yours,

FRED B. SMITH,
Acting General Counsel.

DEPARTMENT OF STATE,
Washington, September 4, 1962.

HON. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives.

DEAR MR. CHAIRMAN: Thank you for your letter of August 29, 1962, enclosing for the comment of the Department of State copies of S. 3389, to promote the foreign commerce of the United States through the use of mobile trade fairs.

The views and recommendations of the Department submitted to your committee August 28, 1962, on a companion bill, H.R. 12533, are also applicable to S. 3389.

If you desire any additional information please let us know.
Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary
(For the Secretary of State).

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, as amended, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE II, MERCHANT MARINE ACT, 1936 (46 U.S.C. 1101 ET SEQ.)

SEC. 202. All moneys, notes, bonds, mortgages, and securities of every kind, contracts and contract rights, lands, vessels, docks, wharves, piers, and property and interests of every kind, owned by the United States, and now controlled by the Department of Commerce as the successor to the powers and functions of the former United States Shipping Board, by virtue of the President's Executive order of June 10, 1933, are hereby transferred to the Commission. Notwithstanding any other provision of law, the Commission may, in accordance with good business methods and on such terms and conditions as it determines to effectuate the policy of this Act, operate or lease any lands, docks, wharves, piers, or real property under its control, and all money heretofore or hereafter received from such operation or lease shall be available for expenditure by the Commission as provided in this Act. The Commission may, upon such terms and conditions as it may prescribe in accordance with sound business practice, make such extensions and accept such renewals of the notes and other evidences of indebtedness hereby transferred, and of the mortgages and other contracts securing the same, as it may deem necessary to carry out the objects of this Act.

SEC. 203. (a) The United States Shipping Board Merchant Fleet Corporation shall cease to exist and shall stand dissolved. All the records, books, papers, and corporate property of said dissolved corporation shall be taken over by the Commission. All existing contractual obligations of the dissolved corporation shall be assumed by the United States. Any suit against the dissolved corporation pending in any court of the United States shall be defended by the Commission upon behalf of the United States, under the supervision of the Attorney General, and any judgment obtained against the dissolved corporation in any such pending suit shall be reported to Congress in the manner provided in section 226, title 31, United States Code, for reporting judgments against the United States in the Court of Claims.

(b) All payments made by the United States Shipping Board (Emergency) Merchant Fleet Corporation to its employees in settlement of its liability arising out of contracts of employment between said United States Shipping Board (Emergency) Merchant Fleet Corporation and its employees on account of leave earned in the years 1918-1919 are hereby approved and confirmed. All persons to whom such payments were made are hereby released from any liability to

refund or repay to the Government such payments, and no deductions on account of any such payments shall be made from any amounts otherwise due or payable out of Government funds to such persons.

SEC. 204. (a) All the functions, powers, and duties vested in the former United States Shipping Board by the Shipping Act, 1916, the Merchant Marine Act, 1920, the Merchant Marine Act, 1928, the Intercoastal Shipping Act, 1933, and amendments to those Acts, and now vested in the Department of Commerce pursuant to section 12 of the President's Executive order of June 10, 1933, are hereby transferred to the United States Maritime Commission: *Provided, however,* That after the date of the passage of this Act no further construction loans shall be made under the provisions of section 11 of the Merchant Marine Act, 1920, as amended.

(b) The Commission is hereby authorized to adopt all necessary rules and regulations to carry out the powers, duties, and functions vested in it by this Act.

(c) The orders issued by the United States Maritime Commission in the exercise of the powers transferred to it by this title shall be enforced in the same manner as heretofore provided by law for enforcement of the orders, issued by the former United States Shipping Board, and violation of such orders shall subject the persons or corporation guilty of such violation to the same penalties or punishment as heretofore provided for violation of the orders of said Board.

SEC. 205. Without limiting the power and authority otherwise vested in the Commission, it shall be unlawful for any common carrier by water, either directly or indirectly, through the medium of an agreement, conference, association, understanding, or otherwise, to prevent or attempt to prevent any other such carrier from serving any port designed for the accommodation of ocean-going vessels located on any improvement project authorized by the Congress or through it by any other agency of the Federal Government, lying within the continental limits of the United States, at the same rates which it charges at the nearest port already regularly served by it.

SEC. 206. All sums of money now in the construction loan fund created by section 11 of the Merchant Marine Act, 1920, as amended, together with the proceeds of all debts, accounts, choses in action, and the proceeds of all notes, mortgages, and other evidences of indebtedness, hereby transferred to the Commission, and all of the proceeds of sales of ships and surplus property heretofore or hereafter made, including proceeds of notes or other evidences of debt taken therefor and the interest thereon and, notwithstanding any other provision of law, all money representing amounts of unclaimed wages, salvage awards and miscellaneous unclaimed items carried as liabilities on the books of the United States Shipping Board Merchant Fleet Corporation and all money heretofore or hereafter received from the operation of leasing of lands, docks, wharves, piers, or real property shall be deposited in the Treasury of the United States and there maintained as a revolving fund, herein designated as the construction fund, and shall be available for expenditure by the Commission in carrying out the provisions of this Act. All moneys received by the Commission under the provisions of this Act shall be deposited in its construction fund, and all disbursements made by the Commission under authority of this Act shall be paid out of said fund, and, notwithstanding any other provision of law, all disbursements applicable to the money referred to in this section may be made by the Commission out of

said fund. Further appropriations by Congress to replenish said fund are hereby authorized.

SEC. 207. The Commission may enter into such contracts, upon behalf of the United States, and may make such disbursements as may, in its discretion, be necessary to carry on the activities authorized by this Act, or to protect, preserve, or improve the collateral held by the Commission to secure indebtedness, in the same manner that a private corporation may contract within the scope of the authority conferred by its charter. All the Commission's financial transactions shall be audited in the General Accounting Office according to approved commercial practice as provided in the Act of March 20, 1922 (42 Stat. 444): *Provided*, That it shall be recognized that, because of the business activities authorized by this Act, the accounting officers shall allow credit for all expenditures shown to be necessary because of the nature of such authorized activities, notwithstanding any existing statutory provision to the contrary. The Comptroller General shall report annually or oftener to Congress any departure by the Commission from the provisions of this Act.

SEC. 208. The Commission shall, at the beginning of each regular session, make a report to Congress, which shall include the results of its investigations, a summary of its transactions, its recommendations for legislation, a statement of all receipts under this Act, and the purposes for which all expenditures were made.

SEC. 209. (a) There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

(b) All appropriations and unexpended balances of appropriations available for expenditure by the United States Shipping Board Bureau and United States Shipping Board Merchant Fleet Corporation which would otherwise be applicable to functions transferred to the Commission by this Act, including the fund appropriated to enable the United States Shipping Board Merchant Fleet Corporation to operate ships or lines of ships which have been or may be taken back from purchasers by reason of competition or other methods employed by foreign shipowners or operators as appropriated by the Independent Offices Act, 1928, approved February 11, 1927 (44 Stat. 1082), and reappropriated by the Department of Commerce Appropriation Acts, shall be available for expenditure by or at the direction of the Commission for any and all objects of expenditure authorized by this Act in the discretion of the Commission, without regard to the requirement of apportionment under the Antideficiency Act of February 27, 1906 (U.S.C., title 31, sec. 665), and, notwithstanding any other provision of law, without deduction, allocation, or segregation in any manner for amounts of unclaimed wages, salvage awards, and miscellaneous unclaimed items carried as liabilities on the books of the United States Shipping Board Merchant Fleet Corporation.

(c) After the transfer, under section 404 of this Act, to the Commission of the powers and duties of the Postmaster General with respect to existing ocean-mail contracts entered into pursuant to title IV, Merchant Marine Act, 1928 (U.S.C., Supp. VII, title 46, secs. 891e to 891r, inclusive), all appropriations and unexpended balances of appropriations available for expenditure by the Post Office Department for the transportation of foreign mails under contracts authorized by the Merchant Marine Act, 1928, less any amount necessary to be paid out by the Post Office Department, shall be available for any and all objects of expenditure authorized by this Act, by or at the

direction of the Commission, without regard to the requirement of apportionment under the Antideficiency Act of February 27, 1906.

(d) Funds made available under the provisions of subsection (d) of this section shall be available for expenditures authorized by the Commission under the provisions of section 201 of this Act as soon as a majority of the members of the Commission shall have taken the oath of office, notwithstanding the provisions of section 907 of this Act.

SEC. 210. It shall be the duty of the Commission to make a survey of the American merchant marine, as it now exists, to determine what additions and replacements are required to carry forward the national policy declared in section 101 of this Act, and the Commission is directed to study, perfect, and adopt a long-range program for replacements and additions to the American merchant marine so that as soon as practicable the following objectives may be accomplished:

First, the creation of an adequate and well-balanced merchant fleet, including vessels of all types, to provide shipping service on all routes essential for maintaining the flow of the foreign commerce of the United States, the vessels in such fleet to be so designed as to be readily and quickly convertible into transport and supply vessels in a time of national emergency. In planning the development of such a fleet the Commission is directed to cooperate closely with the Navy Department as to national-defense needs and the possible speedy adaptation of the merchant fleet to national-defense requirements.

Second, the ownership and the operation of such a merchant fleet by citizens of the United States insofar as may be practicable.

Third, the planning of vessels designed to afford the best and most complete protection for passengers and crew against fire and all marine perils.

SEC. 211. The Commission is authorized and directed to investigate, determine, and keep current records of—

(a) The ocean services, routes, and lines from ports in the United States, or in a Territory, district, or possession thereof, to foreign markets, which are, or may be, determined by the Commission to be essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States, and in reaching its determination the Commission shall consider and give due weight to the cost of maintaining each of such steamship lines, the probability that any such line cannot be maintained except at a heavy loss disproportionate to the benefit accruing to foreign trade, the number of sailings and types of vessels that should be employed in such lines, and any other facts and conditions that a prudent business man would consider when dealing with his own business, with the added consideration, however, of the intangible benefit the maintenance of any such line may afford to the foreign commerce of the United States and to the national defense;

(b) The type, size, speed, and other requirements of the vessels, including express-liner or super-liner vessels, which should be employed in such services or on such routes or lines, and the frequency and regularity of the sailings of such vessels, with a view to furnishing adequate, regular, certain, and permanent service;

(c) The relative cost of construction of comparable vessels in the United States and in foreign countries;

(d) The relative cost of marine insurance, maintenance, repairs, wages and subsistence of officers and crews, and all other items of expense, in the operation of comparable vessels in particular services,

routes, and lines under the laws, rules, and regulations of the United States and under those of the foreign countries whose vessels are substantial competitors of any such American service, route, or line;

(e) The extent and character of the governmental aid and subsidies granted by foreign governments to their merchant marine;

(f) The number, location, and efficiency of the shipyards existing on the date of the enactment of this Act or thereafter built in the United States;

(g) To investigate and determine what provisions of this Act and other Acts relating to shipping should be made applicable to aircraft engaged in foreign commerce in order to further the policy expressed in this Act, and to recommend appropriate legislation to this end;

(h) The advisability of enactment of suitable legislation authorizing the Commission, in an economic or commercial emergency, to aid the the farmers and cotton, coal, lumber, and cement producers in any section of the United States in the transportation and landing of their products in any foreign port, which products can be carried in dry-cargo vessels by reducing rates, by supplying additional tonnage to any American operator, or by operation of vessels directly by the Commission, until such time as the Commission shall deem such special rate reduction and operation unnecessary for the benefit of the American farmers and such producers; and

(i) New designs, new methods of construction, and new types of equipment for vessels; the possibilities of promoting the carrying of American foreign trade in American vessels; and intercoastal and inland water transportation, including their relation to transportation by land and air.

SEC. 212. The Commission is authorized and directed—

(a) To study all maritime problems arising in the carrying out of the policy set forth in title I of this Act;

(b) To study, and to cooperate with vessel owners in devising means by which—

(1) the importers and exporters of the United States can be induced to give preference to vessels under United States registry; and

(2) there may be constructed by or with the aid of the United States express-liner or super-liner vessels comparable with those of other nations, especially with a view to their use in national emergency, and the use in connection with or in lieu of such vessels of transoceanic aircraft service;

(c) To collaborate with vessel owners and shipbuilders in developing plans for the economical construction of vessels and their propelling machinery, of most modern economical types, giving thorough consideration to all well-recognized means of propulsion and taking into account the benefits accruing from standardized production where practicable and desirable;

(d) To establish and maintain liaison with such other boards, commissions, independent establishments, and departments of the United States Government, and with such representative trade organizations throughout the United States as may be concerned, directly or indirectly, with any movement of commodities in the water-borne export and import foreign commerce of the United States, for the purpose of securing preference to vessels of United States registry in the shipment of such commodities; and

(e) To investigate, under the regulatory powers transferred to it by this Act, any and all discriminatory rates, charges, classifications, and practices whereby exporters and shippers of cargo originating in the United States are required by any common carrier by water in the foreign trade of the United States to pay a higher rate from any United States port to a foreign port than the rate charged by such carrier on similar cargo from such foreign port to such United States port, and recommend to Congress measures by which such discrimination may be corrected.

(f) To make recommendation to Congress, from time to time, for such further legislation as it deems necessary better to effectuate the purpose and policy of this Act.

SEC. 212. (A) The operator of a vessel in waterborne foreign commerce of the United States shall file at such times and in such manner as the Secretary of Commerce may prescribe by regulations, such report, account, record, or memorandum relating to the utilization and performance of such vessel in commerce of the United States, as the Secretary may determine to be necessary or desirable in order to carry out the purposes and provisions of this Act, as amended. Such report, account, record, or memorandum shall be signed and verified in accordance with regulations prescribed by the Secretary. An operator who does not file the report, account, record, or memorandum as required by this section and the regulations issued hereunder, shall be liable to the United States in a penalty of \$50 for each day of such violation. The amount of any penalty imposed for any violation of this section upon the operator of any vessel shall constitute a lien upon the vessel involved in the violation, and such vessel may be libeled therefor in the district court of the United States for the district in which it may be found. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this section on such terms as he may deem proper.

SEC. 212.(B)(a) *The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs (1) which to the extent they are transported by vessel shall be transported by vessels of United States registry to foreign ports and (2) which are designed to show and sell the products of United States business and agriculture at such foreign ports and at other commercial centers throughout the world.*

(b) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section.

SEC. 213. The Commission shall make studies of and make a report to Congress as soon as practicable on—

(a) The scrapping or removal from service of old or obsolete merchant tonnage owned by the United States or in use in the merchant marine;

(b) Tramp shipping service and the advisability of citizens of the United States participating in such service with vessels under United States registry.

(c) The relative cost of construction or reconditioning of comparable ocean vessels in shipyards in the various coastal districts of the United States, together with recommendations as to how such shipyards may compete for work on an equalized basis.

SEC. 214. (a) For the purpose of any investigation which, in the opinion of the Commission, is necessary and proper in carrying out the provisions of this Act, any member of the Commission, or any officer or employee thereof designated by it, is empowered to subpoena witnesses, administer oaths and affirmations, take evidence, and require the production of any books, papers, or other documents which are relevant or material to the matter under investigation. Such attendance of witnesses and the production of such books, papers, or other documents may be required from any place in the United States or any Territory, district, or possession thereof at any designated place of hearing. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the Courts of the United States.

(b) Upon failure of any person to obey a subpoena issued by the Commission, it may invoke the aid of any District Court of the United States within the jurisdiction in which such person resides or carries on business in requiring the attendance and testimony of witnesses and the production of books, papers, or other documents. Any such court may issue an order requiring such person to appear before the Commission, or member, officer, or employee designated by the Commission, there to produce books, papers, or any other documents, if so ordered, or to give testimony touching the matter under investigation or in question. Any failure to obey such order of the court may be punished by such court as a contempt thereof. Any process in any such case may be served in the judicial district wherein such person resides or wherever he may be found.

(c) No person shall be excused from attending and testifying or from producing books, papers, or other documents before the Commission, or any member or officer or employees thereof, in any investigation instituted by the Commission under this Act, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to penalty or forfeiture; but no person shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such person so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

SEC. 215. The Commission is authorized to acquire by purchase or otherwise such vessels constructed in the United States as it may deem necessary to establish, maintain, improve, or effect replacements upon any service, route, or line in the foreign commerce of the United States determined to be essential under section 211 of this Act, and to pay for the same out of its construction fund: *Provided*, That the price paid therefor shall be based upon a fair and reasonable valuation, but it shall not exceed by more than 5 per centum the cost of such vessel to the owner (excluding any construction-differential subsidy and the cost of national defense features paid by the Commission) plus the actual cost previously expended thereon for reconditioning less depreciation based upon a twenty-five-year life expectancy of the vessel. No such vessel shall be acquired by the Commission unless the Secretary of the Navy certified to the Commission that such vessel is suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for the use of the

United States in time of war or national emergency. Every vessel acquired under authority of this section that is not documented under the laws of the United States at the time of its acquisition shall be so documented as soon as practicable.

SEC. 216. (a) The Secretary of Commerce is hereby authorized and directed, under such rules and regulations as he may prescribe, to establish and maintain the United States Maritime Service as a voluntary organization for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels. The Secretary is authorized to determine the number of persons to be enrolled for training and reserve purposes in the said Service, to fix the rates of pay and allowances of such persons, and to prescribe such courses and periods of training as, in his discretion, are necessary to maintain a trained and efficient merchant marine personnel. The ranks, grades, and ratings for personnel of the said Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Secretary is authorized to prescribe, by rules and regulations, the uniform of the Service and rules governing the wearing and furnishing of such uniform of persons in the Service.

(b)(1) The Secretary of Commerce shall maintain a Merchant Marine Academy at Kings Point, New York, for the instruction and preparation for service in the merchant marine of selected persons as officers thereof. Competitive examinations shall be held annually among those persons nominated as candidates to the Academy by Senators and Representatives, and by the Governors of the Canal Zone, Guam, American Samoa, and the Virgin Islands, and the Commissioners of the District of Columbia. The number of vacancies allocated to each State shall be proportioned to the representatives in Congress from that State; but two vacancies shall be allocated each year to the Canal Zone, to be filled by qualified candidates nominated by the Governor of the Canal Zone from among the sons of residents of the Canal Zone and the sons of personnel of the United States Government and the Panama Canal Company residing in the Republic of Panama, one vacancy each shall be allocated each year to Guam, American Samoa, and the Virgin Islands, to be filled by qualified candidates nominated by the Governors of Guam, American Samoa, and the Virgin Islands, and four vacancies shall be allocated each year to the District of Columbia, to be filled by qualified candidates nominated by the Commissioners thereof: *Provided*, That a candidate nominated by the Governor of American Samoa shall not be denied admission by reason of his being a national but not a citizen of the United States: *Provided further*, That the foregoing proviso shall not be construed to permit any such person who is a national but not a citizen of the United States to be entitled to any office or position in the United States merchant marine by reason of his graduation from the Academy until such person shall have become a citizen. Appointments from each State shall be made by the Secretary of Commerce from among qualified candidates nominated from that State in the order of merit established by the examinations. In case vacancies remain after the appointments under the preceding sentence have been made, the Secretary of Commerce shall fill them by appointments from qualified candidates from other States.

(2) In connection with such instruction and as a part thereof, the Secretary of Commerce is authorized to provide for training of mer-

chant marine cadets on Government-owned and subsidized vessels and, in cooperation with other governmental and private agencies, on other vessels, and, for instructional purposes only, in shipyards, plants, and industrial and educational organizations under rules and regulations prescribed by the Secretary of Commerce and upon such terms as the Secretary of Commerce may arrange, and expenditures incident to such training are hereby authorized.

(3) Cadets appointed to the United States Merchant Marine Academy may be appointed by the Secretary of the Navy as Reserve midshipmen in the United States Navy and may be commissioned as Reserve ensigns in the United States Navy upon graduation from the Academy.

(4) Cadets at the United States Merchant Marine Academy shall receive allowances for all required uniforms and textbooks as prescribed by rules and regulations under this Act, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet.

(5)(a) "Representative" as used in this Act shall include Delegates to the House of Representatives from Alaska and Hawaii and the Resident Commissioner from the Commonwealth of Puerto Rico.

(b) "State" as used in this Act shall include the Territories of Alaska and Hawaii, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, and the Virgin Islands.

(c) The Commission is hereby authorized to prescribe, conduct, and supervise such extension and correspondence courses as it may deem necessary to supplement other training facilities, and to make such courses available, under such rules and regulations and upon such terms as it may prescribe, to the licensed and unlicensed personnel of the merchant marine, and to cadets and cadet officers, who shall make application therefor. The Commission is further authorized to print, publish, and purchase suitable textbooks, equipment, and supplies required for such courses, and to employ persons, firms, and corporations on a contract or fee basis (without regard to the provisions of section 3709 of the Revised Statutes), for the performance of special services deemed necessary by the Commission in the preparation and editing of such textbooks and other aids to instruction, and in the supervision and administration of such courses.

(d) The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this section, as amended.

(e) To effectuate the purpose of this section, the Secretary of Commerce is authorized to employ professors, lecturers, and instructors and to compensate them without regard to the Classification Act of 1949, as amended.

(f) On such date as may be fixed by the Civil Service Commission with the approval of the Secretary of Commerce, not later than one year from the date of enactment of this subsection, persons then serving as administrative enrollees shall be brought into the competitive civil service or excepted civil service in accordance with the Civil Service Act and rules, and shall thereafter be compensated in accordance with the Classification Act of 1949, as amended, except as other-

wise authorized by subsection (e) of this section or other provisions of law, and shall be subject to other laws of general applicability to civilian employees of the United States, subject to the following exceptions and conditions, notwithstanding any other provisions of law:

(1) The rate of basic compensation of any person serving as administrative enrollee on the date immediately preceding the date specified in the first sentence of this subsection (f) shall upon conversion provided for in this subsection be fixed at a rate which is not less than the combined basic pay and quarters and subsistence allowances received immediately preceding conversion, or the value of such allowances when furnished the person in kind at the rate and in the amounts theretofore authorized by regulation for such allowances. In the case of any such person whose combined basic pay and quarters and subsistence allowances, or value thereof when furnished in kind, exceeds the entrance rate of the grade or level in which his position is placed, the basic compensation of such person shall be fixed at that step in the grade or level which is equal to, or if none be equal, which represents the next higher regular or longevity step or level over the person's combined pay and allowances, as specified above, received immediately preceding the date of conversion. In any case in which no such rate exists in the grade of his position, his rate of basic compensation shall be fixed at the next regular salary rate which is not less than his combined basic pay and quarters and subsistence allowances, or value thereof when furnished in kind. For the purposes of determining eligibility for step increases following conversion, the basic compensation as an administrative enrollee prior to conversion shall be considered as the total amount or value of basic pay, subsistence and quarters allowances. Any adjustment in compensation required by this subsection shall not be considered to be an equivalent increase in compensation for the purpose of a periodic step increase, nor an increase in grade or rate of basic compensation for the purpose of a longevity step increase.

(2) The rate of basic compensation authorized by this paragraph shall continue until the person is separated from his position or receives a higher rate of basic compensation by operation of law or regulation.

(3) Any person who, as a result of the action required under the first sentence of this subsection (f), becomes subject to the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2061 and the following), shall be credited under that Act with all annual leave remaining to his credit as an administrative enrollee, at the rate of five-sevenths of a day of leave chargeable under the Act (5 U.S.C. 2064) for each calendar day of leave remaining to the credit of the enrollee, without regard to the limitations on maximum leave accumulation provided by the Act, and shall be credited with thirteen days of sick leave in addition to any leave recredit to which the employee may otherwise be entitled.

(4) Active service of any administrative enrollee performed prior to the date specified in the first sentence of this subsection (f) shall be considered creditable as civilian employment in the executive branch of the Federal Government for all purposes, except that in computing length of service for the purpose of title VII of the Classification Act of 1949, as amended, continuous service immediately preceding the date established under the first sentence of this subsection (f) shall

be counted either (1) toward one step increase under section 701, or (2) toward one longevity step increase under section 703, as the case may be.

(5) Persons converted from their status as administrative enrollees to positions by or pursuant to this subsection (f) shall not be entitled, upon conversion or subsequent separation from such position, to payment of travel and transportation expenses which otherwise may be authorized under the joint travel regulations on separation from the United States Maritime Service; nor shall such persons upon conversion to positions by or pursuant to this subsection be entitled to free medical, dental, surgical and hospital care under section 322(6) of the Public Health Service Act of 1944 (58 Stat. 696, 42 U.S.C. 249).

(g)(1) The Secretary of Commerce may accept, hold, administer, and spend gifts and bequests of personal property made on the condition that it be used for the benefit of, or for use in connection with, the United States Merchant Marine Academy. Gifts and bequests of money and the proceeds from the sales of property received as gifts shall be deposited in the Treasury in the fund called "United States Merchant Marine Academy general gift fund". The Secretary may disburse funds deposited under this subsection for the benefit or use of the Merchant Marine Academy subject to the terms of the gift or bequest. If a gift is made for a specific purpose and that purpose is accomplished without exhausting the entire amount of the gift, then unless the donor has manifested a different intention, the Secretary may disburse the residue of the gift for a purpose that in the judgment of the Secretary, or his delegate, is as close as practical to the specific purpose for which the gift was made.

(2) For the purpose of Federal income, estate, and gift taxes, property that is accepted under this subsection is considered as a gift or bequest to or for the use of the United States.

(3) Upon the request of the Secretary of Commerce, the Secretary of the Treasury may invest, reinvest, or retain investments of money or securities comprising any part of the United States Merchant Marine Academy general gift fund in securities of the United States or in securities guaranteed as to principal and interest by the United States. The interest and benefits accruing from those securities shall be deposited to the credit of the United States Merchant Marine Academy general gift fund, and may be disbursed as provided in this subsection.

SECTION 104(m) OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

SEC. 104. * * *

(m) For financing in such amounts as may be specified from time to time in appropriation acts (A) trade fair participation and related activities authorized by section 3 of the International Cultural Exchange and Trade Fair Participation Act of 1956, or section 212(B) of the Merchant Marine Act, 1936, and (B) agricultural and horticultural fair participation and related activities;

Union Calendar No. 1034

87TH CONGRESS
2^D SESSION

S. 3389

[Report No. 2463]

IN THE HOUSE OF REPRESENTATIVES

AUGUST 23, 1962

Referred to the Committee on Interstate and Foreign Commerce

AUGUST 27, 1962

The Committee on Interstate and Foreign Commerce discharged, and referred
to the Committee on Merchant Marine and Fisheries

SEPTEMBER 21, 1962

Reported with amendments, committed to the Committee of the Whole House
on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

AN ACT

To promote the foreign commerce of the United States through
the use of mobile trade fairs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Commerce, in addition to his authority
4 under any other Act, is hereby authorized to encourage the
5 development, organization, and use of mobile trade fairs
6 designed to show and sell the products of United States
7 business and agriculture, large and small, in foreign ports
8 and commercial centers throughout the world.

9 SEC. 2. To effectuate the carrying out of the purposes of

1 this Act, the Secretary of Commerce is authorized to pro-
2 vide to the operator or operators of such mobile trade fairs
3 technical assistance and support as well as financial assist-
4 ance for the purpose of defraying certain expenses incurred
5 abroad, when the Secretary determines that such operations
6 provide an economical and effective means of promoting ex-
7 port sales; provided that such assistance shall only be made
8 available where the operator or operators of the mobile trade
9 fairs exclusively use United States-flag vessels and aircraft in
10 the transportation of their exhibits.

11 SEC. 3. The Department of Commerce is authorized to
12 expend for the purpose of this Act such so-called counterpart
13 funds as may not be otherwise committed.

14 SEC. 4. For the purpose of devising a program of assist-
15 ance to the operator or operators of mobile trade fairs, the
16 Secretary of Commerce may use such interagency commit-
17 tees as may now be available to him; or he may create a
18 Mobile Trade Fair Committee, but in either event the Small
19 Business Administration shall be among the Government
20 agencies assisting in the development of said program.

21 *That title II of the Merchant Marine Act, 1936, as amended*
22 *(46 U.S.C. 1101 et seq.), is amended by adding immedi-*
23 *ately after section 212(A) thereof (46 U.S.C. 1122a) the*
24 *following new section:*

25 SEC. 212. (B)(a) *The Secretary of Commerce shall*

1 encourage and promote the development and use of mobile
2 trade fairs (1) which to the extent they are transported by
3 vessel shall be transported by vessels of United States registry
4 to foreign ports and (2) which are designed to show and sell
5 the products of United States business and agriculture at such
6 foreign ports and at other commercial centers throughout the
7 world.

8 “(b) There is authorized to be appropriated not to exceed
9 \$500,000 per fiscal year for each of the three fiscal years
10 during the period beginning July 1, 1962, and ending June
11 30, 1965. In addition to such appropriated sums, the Presi-
12 dent shall make maximum use of foreign currencies owned
13 by or owed to the United States to carry out the purposes of
14 this section.”

15 SEC. 2. Section 104(m) of the Agricultural Trade
16 Development and Assistance Act of 1954, as amended, is
17 amended by inserting immediately before “, and (B)” the
18 following: “or section 212(B) of the Merchant Marine Act,
19 1936”.

Amend the title so as to read: “To amend the Merchant
Marine Act, 1936, to develop the American merchant marine
and promote the foreign commerce of the United States
through the use of mobile trade fairs.”.

Passed the Senate August 20, 1962.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To promote the foreign commerce of the United States through the use of mobile trade fairs.

AUGUST 23, 1962

Referred to the Committee on Interstate and Foreign
Commerce

AUGUST 27, 1962

The Committee on Interstate and Foreign Commerce
discharged, and referred to the Committee on
Merchant Marine and Fisheries

SEPTEMBER 21, 1962

Reported with amendments, committed to the Com-
mittee of the Whole House on the State of the
Union, and ordered to be printed

Oct. 1, 1962

29. TRADE FAIRS. Passed under suspension of the rules S. 3389, to promote the foreign commerce of the U. S. through the use of mobile trade fairs. pp. 20354, 20399-401
30. AGRICULTURE COMMITTEE. The "Daily Digest" states that the Agriculture Committee "Passed over without prejudice H. R. 10101, to provide for a program of agricultural land development in Alaska; S. 3589, to acquire lands in Wright County, Minn., and exchange them with the State of Minnesota for State-owned lands in the Superior National Forest; and S. 3517, to establish and carry out a program to promote the flow of domestically produced lumber in commerce." p. D919
31. TRANSPORTATION. Passed under suspension of the rules, H. R. 12968, to remove the time limitation within which a vessel, otherwise qualified under this exception, could redocument under United States registry. pp. 20402-3
32. TAXATION. Received the conference report on H. R. 10650, the proposed Revenue Act of 1962 (H. Rept. 2508). pp. 20413-27
33. FOREIGN AFFAIRS. Received from the Secretary of State a draft of a proposed bill "authorizing an appropriation to enable the United States to extend an invitation to the Food and Agriculture Organization (FAO) of the United Nations to hold a World Food Congress in the United States in 1963"; to Foreign Affairs Committee. p. 20443
34. WILDLIFE. The Merchant Marine and Fisheries Committee reported without amendment H. R. 13176, to increase the participation by counties in revenue from the national wildlife refuge system. p. 20443
35. SMALL BUSINESS. The Select Committee on Small Business issued a report on the financing problems of small business (H. Rept. 2500). p. 20443
36. PUBLIC WORKS. The Public Works Committee reported with amendment H. R. 13273, the public works authorization bill (H. Rept. 2504). p. 20443

ITEMS IN APPENDIX

37. FOREIGN AID. Various insertions favoring and opposing the reductions made by the House in foreign aid appropriations. pp. A7187, A7197, A7213-4, A7218, A7223-5
38. TRANSPORTATION. Rep. McCormack commended and inserted an address by the president of the U. S. Freight Co., "Our Transportation Problems--Time for Action." pp. A7191-3
39. LEGISLATIVE PROGRAM. Extension of remarks of Rep. Pike reporting on the accomplishments of the 87th Congress. pp. A7195-6
40. INFORMATION. Extension of remarks of Sen. Humphrey inserting an article, "Representative John Moss Fights to Let Public Know What's Going On." pp. A7200-1
41. INTERGOVERNMENTAL RELATIONS. Extension of remarks of Rep. Fountain inserting a tabulation of the endorsement of State legislative recommendations of the Advisory Commission on Intergovernmental Relations. pp. A7211-2

BILLS INTRODUCED

42. IMPORTS. S. 3771, by Sen. Carlson, to amend the Tariff Act of 1930 to impose a duty upon the importation of bread; to Finance Committee.
43. PUBLIC WORKS. S. 3773, by Sen. Kerr, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control; placed on the calendar.
44. WILDLIFE. S. 3774, by Sen. Williams, N. J., to provide for a national black-bird control program; to Interior and Insular Affairs Committee. Remarks of author pp. 20337-9
45. PERSONNEL. H. R. 13280, by Rep. Beckworth, to amend the Civil Service Act of January 16, 1883, with respect to the filling of positions in the competitive civil service; to Post Office and Civil Service Committee.
46. FARM PROGRAM. H. R. 13281, by Rep. Betts, to reinstate the 15-acre farm marketing quota exemption for 1963; to Agriculture Committee.
H. R. 13286, by Rep. Findley, to establish a corn support program for 1964; to Agriculture Committee.
47. FOREIGN TRADE. H. R. 13285, by Rep. Dingell, to amend the Export-Import Bank Act of 1945 to facilitate exports to areas with respect to which the United States is incurring a trade deficit; to Banking and Currency Committee.

BILLS APPROVED BY THE PRESIDENT :

48. HOUSING. H. R. 12628, to authorize a program of housing for the elderly in rural areas, which includes authorization of \$50 million additional in loan funds for Farmers Home Administration loans to the elderly for building or purchasing homes in rural areas, authorization for the appropriation of \$50 million for a new program of direct loans to private nonprofit corporations and consumer cooperatives to build moderate-cost rental housing for the elderly, a new insurance program to provide rental housing for the elderly in rural areas, and an increase in the rural grant ceiling from \$500 to \$1,000 for home improvements by owner-occupants whose incomes are so low they cannot qualify for loans from any source. Approved September 28, 1962 (Public Law 87-723).
49. FEDERAL-STATE COOPERATION. S. 3475, to provide further for cooperation with States in administration and enforcement of certain Federal laws relating to the marketing of agricultural products and to the eradication or control of plant and animal diseases and pests. Approved September 28, 1962 (Public Law 87-718).
50. PETRIFIED WOOD. H. R. 10540, to exclude deposits of petrified wood from appropriation under the United States mining laws. Approved September 28, 1962 (Public Law 87-713).
51. WILDLIFE; RECREATION. H. R. 1171, to increase the public benefits from the national fish and wildlife conservation areas through their incidental or secondary use for public recreation. Approved September 28, 1962 (Public Law 87-714).
52. STOCKPILING. H. R. 12416, to waive the statutory requirement for a 6-month waiting period before GSA is authorized to dispose of 4,000 long tons of chestnut tannin extract from the national stockpile. Approved September 28,

Section 2 of such Act is amended to read as follows:

"SEC. 2. No applicant for registry under the provisions of this Act shall be required to take an examination to qualify therefor, but the Commandant shall require satisfactory proof of good character, citizenship, and such minimum periods of service as he shall deem necessary to establish the requisite knowledge, skill, and experience to qualify applicants for the respective stations. Applicants for registry as surgeon shall be required to possess a valid license as physician and surgeon issued under the authority of a State or territory of the United States or the District of Columbia. Applicants for registry as professional nurse shall be required to possess a valid license as registered nurse issued under the authority of a State or territory of the United States or the District of Columbia."

SEC. 3. Such Act is amended by adding the following new section:

"SEC. 10. As used in this Act, the masculine pronoun shall include the feminine."

SEC. 4. The amendments made by this Act shall take effect immediately.

With the following committee amendment:

Page 1, line 7, strike out "52 Stat. 1148" and insert in lieu thereof the following: "53 Stat. 1145".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING ADMINISTRATOR OF GENERAL SERVICES TO REMOVE AN ENCUMBRANCE ON TITLE TO LAND HERETOFORE CONVEYED TO BOARD OF EDUCATION OF VALLEJO, CALIF.

The Clerk called the bill (H.R. 9491) to provide for the removal of an encumbrance on the title of certain real property heretofore conveyed to the Board of Education of the Vallejo School District, Vallejo, Calif., by the U.S. Housing Corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administration of General Services shall convey to the Vallejo Unified School District, Vallejo, California, without monetary consideration to the United States, all right, title, and interest of the United States in and to the real property situated in the township of Vallejo, county of Solano, State of California, which real property was conveyed to the Board of Education of the Vallejo School District, Vallejo, California, by the United States Housing Corporation by deed dated June 22, 1928, recorded in book 17 at page 400 in the office of the County recorder of the county of Solano, State of California.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESIDENTIAL TRANSITION ACT OF 1962

The Clerk called the bill (H.R. 12479) to promote the orderly transfer of the Executive power in connection with the

expiration of the term of office of a President and the inauguration of a new President.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask several questions of the author of the bill or a member of the committee.

I believe there is a need for some legislation of this sort. I note in the committee report and in the summary at my disposal that in the transition from the Truman to the Eisenhower administration the Republican National Committee put up about \$200,000 to carry on the operation. In the transition from the Eisenhower to the Kennedy administration I understand that the Democratic National Committee put up about \$360,000 to carry out this work. I notice in the committee report and in the legislation itself that there is an authorization of an appropriation to handle this work up to \$750,000.

I just do not understand why we have to more than double the expense allowance for such transitions. We did it in 1952 and 1953 for \$200,000; we did it in 1960 and 1961 for \$360,000. What is the justification for this multiplication of costs in the cost of handling this same job by the governments process?

Mr. FASCELL. Mr. Speaker, I welcome the opportunity to answer the question, I trust satisfactorily.

The answer is that the costs to which the gentleman has referred were the identifiable costs to make those transitions. But there are other costs which were not readily identifiable. For example, the cost of an individual coming into the Cabinet, having to come to Washington, pay his hotel bill, set up his staff, and live here for the whole transition period at his own expense, which should not be a personal expense. That is not included in these costs the gentleman has outlined. In the testimony before the committee the Bureau of the Budget felt a figure of \$750,000 as an authorization, subject of course to appropriation, would give us a reasonable limitation within which to work.

Mr. FORD. Mr. Speaker, I am not convinced by the seemingly plausible explanation by the gentleman from Florida. Consequently, unless there is some desire to reduce the authorization from \$750,000 to a more reasonable figure, I do not intend to let this go through by the Consent Calendar process. If the gentleman from Florida can make a more reasonable suggestion, I would not object, but I certainly cannot permit this legislation to go through with this abnormally high authorization.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE MIGRATORY BIRD CONSERVATION COMMISSION

The Clerk called the bill (S. 3504) to provide for alternate representation of secretarial officers on the Migratory Bird

Conservation Commission, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Migratory Bird Conservation Act (16 U.S.C. 715a) is amended by inserting, immediately after the first sentence, the following new sentence: "Each of the aforesaid Secretaries may designate the Under Secretary or an Assistant Secretary of his department as his alternate with authority to represent him and to consider and pass upon matters before the said Commission."

SEC. 2. Section 18 of the aforesaid Act (16 U.S.C. 715q) is hereby amended by striking out "commisison" and inserting in lieu thereof "commission" and by striking out "\$5,000" and inserting in lieu thereof "\$10,000".

With the following committee amendments:

On page 1, line 6, strike out "may" and insert in lieu thereof "shall"

On page 2, line 3, strike out "\$10,000" and insert in lieu thereof "\$7,500".

The committee amendments were agreed to.

Mr. BONNER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Strike out all after the enacting clause and insert in lieu thereof the following: "That section 18 of the Migratory Bird Conservation Act (16 U.S.C. 715q) is hereby amended by striking out "commisison" and inserting in lieu thereof "commission" and by striking out "\$5,000" and inserting in lieu thereof "\$7,500".

The amendment was agreed to.

The bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend the Migratory Bird Conservation Act."

AMENDMENT TO PACIFIC MARINE FISHERIES COMPACT

The Clerk called the bill (S. 3431) to consent to the amendment of the Pacific marine fisheries compact and to the participation of certain additional States in such compact in accordance with the terms of such amendment.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to (1) the amendment of the Pacific Marine Fisheries Compact, initially approved by the Act of July 24, 1947 (61 Stat. 419), between the States of California, Oregon, and Washington, by the addition of a new article XII to such compact as set forth in section 2 of this Act, and (2) to the participation in such compact, in accordance with the terms of such article, of the States of Alaska and Hawaii and any other State having rivers or streams tributary to the Pacific Ocean.

SEC. 2. Article XII of the Pacific Marine Fisheries Compact, as agreed to by the States of California, Oregon, and Washington, reads as follows:

"ARTICLE XII

"The States of Alaska or Hawaii, or any state having rivers or streams tributary to the Pacific Ocean may become a contracting

state by enactment of the Pacific Marine Fisheries Compact. Upon admission of any new state to the compact, the purposes of the compact and the duties of the commission shall extend to the development of joint programs for the conservation, protection and prevention of physical waste of fisheries in which the contracting states are mutually concerned and to all waters of the newly admitted state necessary to develop such programs.

"This article shall become effective upon its enactment by the States of California, Oregon, and Washington and upon ratification by Congress by virtue of the authority vested in it under Article 1, section 10, of the Constitution of the United States."

SEC. 3. The right to alter, amend, or repeal this Act is expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF MOBILE TRADE FAIRS

The Clerk called the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

THE HUNGARIAN REFORMED FEDERATION OF AMERICA

The Clerk called the bill (S. 699) to amend the act entitled "An act to incorporate the Hungarian Reformed Federation of America," approved March 2, 1907, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to incorporate the Hungarian Reformed Federation of America", approved March 2, 1907 (34 Stat. 1226), is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a semicolon and the following: "to provide all types of benefits which are now or hereafter may be authorized by the laws of the District of Columbia relating to fraternal benefit associations."

SEC. 2. Section 755 of the Act entitled "An Act to establish a Code of Law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189), is amended by striking out "which shall not exceed fifty-five years, and that medical examinations are required of applicants for life benefits."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL CULTURAL CENTER WEEK

The Clerk called Senate Joint Resolution 214 authorizing the President of the United States to designate the period

from November 26 through December 2, 1962, as National Cultural Center Week.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask someone if there is any cost connected with this proposal, and whether there are any weeks left that can be observed for other purposes?

Mr. FORRESTER. Mr. Speaker, if the gentleman will yield, I shall be glad to answer the gentleman from Iowa concerning the cost question. There is no cost involved on the part of the Federal Government.

Mr. GROSS. Does the gentleman from Georgia think this will open the door to some further cost in behalf of what some people are pleased to call culture?

Mr. FORRESTER. If the gentleman will yield further, I hope not. If the gentleman from Iowa will notice the report, the Congress did not grant any funds for this purpose at all. This corporation is going to solicit funds from the public at large and not from the Congress. I have an idea that if it did request funds from the Congress it would not meet with a very cordial reception.

Mr. GROSS. Is the gentleman referring to a proposed cultural center here in the District of Columbia, which area is sometimes referred to as a jungle? Is the gentleman referring to the solicitation of funds for a cultural center in the District of Columbia?

Mr. FORRESTER. Yes; I am referring to it, because the report refers to it, and that is correct. They do intend to try to raise the necessary money through voluntary contributions, but not from the Federal Government.

Mr. GROSS. Does the gentleman think, in view of what is happening with respect to financing the \$20 million stadium in the District of Columbia that was not to cost the Federal taxpayer anything, that some group will build a \$30 million, \$40 million, or \$50 million cultural center and will not be in the pockets of all the taxpayers before they get through?

Mr. FORRESTER. The only thing I can say to the gentleman from Iowa is this: I hope that the gentleman is going to watch this. If that does arise, I think the gentleman will oppose it, and the gentleman will find me in his corner at that time. There is certainly no intention on the part of the committee bringing out this bill to endorse giving them any Government funds toward the construction of this project. It is simply for the purpose of allowing them to have this particular day set aside.

Mr. GROSS. I am not opposed to a National Cultural Week, whatever that may be. I am not opposed as long as it does not cost the taxpayers of the country any money now or in the future.

Mr. FORRESTER. The gentleman has eloquently stated my position; I agree with him fully on it.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas, by the Act of September 2, 1958, known as the National Cultural Center Act, Congress established a board known as the Trustees of the National Cultural Center; and

Whereas such Trustees were authorized and directed to plan, create, and operate a National Cultural Center on a designated site in the Nation's Capital; and

Whereas the text of the National Cultural Center Act, as well as its legislative history, emphasizes the desire of the Congress that the National Cultural Center should be a national institution serving the American people through its programs; and

Whereas the Congress intended the Center to be a symbol of the importance of the arts as a part of our national environment and heritage, and a showcase of the finest talents in America and from abroad; and

Whereas the Congress has authorized a nationwide fund-raising campaign designed to give the American people an opportunity to demonstrate their support for the creation of this institution; and

Whereas, pursuant to this authority, the Trustees have developed a program to raise funds both for the National Cultural Center and for the support of cultural and civic organizations at the community level; and

Whereas this fund-raising program will be highlighted on November 29, 1962, with a nationwide closed-circuit telecast entitled "An American Pageant of the Arts" which will be designed to express the contribution of each of the Nation's regions to our natural cultural heritage; and

Whereas the sponsoring committees for this program, made up of cultural and civic organizations in each community where the telecasts will be shown, will be able to keep 50 per centum of the proceeds from the sale of tickets in an effort to help strengthen cultural organizations at the local level; and

Whereas the National Cultural Center Act was passed with strong bipartisan support, was signed enthusiastically by President Eisenhower, and has since received the full support of President Kennedy; and

Whereas both Mrs. Kennedy and Mrs. Eisenhower now serve as Honorary Chairmen of the Center, the Senators and Members of the House of Representatives of both parties, as well as representative individuals from business and labor, are members of the Board of Trustees; and

Whereas an Advisory Committee consisting of leading representatives of all aspects of American cultural life has been appointed by both President Eisenhower and President Kennedy: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and requested to issue a proclamation designating the period from November 26, 1962, through December 2, 1962, as National Cultural Center Week; urging all persons, organizations, and governmental agencies involved in fostering the performing arts in this Nation to publicize and observe such week; and calling upon the Governors of the States to join in promoting the National Cultural Center campaign.

With the following committee amendment:

On pages 1, 2, and 3, delete the "Whereas" clauses.

The committee amendment was agreed to.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. GROSS. I thank the gentleman for his compliment.

Mr. BONNER. I mean what I say sincerely.

Mr. GROSS. I am not going to make an issue of this, but in my opinion this amount is in a large way a windfall, and I cannot support the bill.

Mr. BONNER. I can understand the gentleman's saying he cannot support the bill, but I do think it is an absolute necessity.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Kansas.

Mr. AVERY. I think I may join the gentleman from Iowa in opposing the bill for this reason: Every time we have an agricultural bill on the floor gentlemen criticize the Department of Agriculture and the expense of its operations. Here is an industry that has probably been receiving more subsidy in proportion to its appraised value than any other industry in the United States. This business starts in, but at the end of the session we find it is a necessity that the Treasury finds itself obligated to consider it as part of the Merchant Marine or part of our naval fleet. So I am placing that on the record.

Mr. BONNER. May I reply to the gentleman in this way: If we did not have the American-flag merchant marine then we would have to use MSTs vessels. It costs about two or three times as much to operate an MSTs vessel as it does a privately owned American-flag vessel. When we get in an emergency the owner of the private-flag vessel does not have anything to say. The Secretary of Defense calls for his vessel. If it is sailing abroad, halfway across the ocean, he turns around and comes back to the American port. There is no other industry in the United States that is charged with the responsibility that these ships are charged with with respect to the national defense.

Mr. AVERY. I would just like to say this. Yes, there is a subsidy to the agricultural industry. But certainly it is just one of the industries receiving a subsidy. Certainly it is not exclusive.

Mr. PELL. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MAILLIARD].

Mr. MAILLIARD. Mr. Speaker, while I do not want to make an issue out of it, I think it is worth pointing out for the RECORD that there is a provision in this bill, which is an amendment to the original bill, which requires if there should be some savings to the shipowner he should be required to repay the Government. While this looks like an equitable two-way street, I fear we have an administrative monstrosity because there would have to be a computation of the amount to be paid on the basis of a hypothetical voyage of a ship, which never took place. I fear that this would be a matter of argument and contention, and I hope if the bill is taken up in the other body that there will be some correction of that feature of the bill.

Mr. BONNER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from North Carolina that the House suspend the rules and pass the bill as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROMOTING FOREIGN COMMERCE OF UNITED STATES THROUGH USE OF MOBILE TRADE FAIRS

Mr. BONNER. Mr. Speaker, I move that the House suspend the rules and pass the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.), is amended by adding immediately after section 212(A) thereof (46 U.S.C. 1122a) the following new section:

Sec. 212. (B) (a) The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs (1) which to the extent they are transported by vessel shall be transported by vessels of United States registry to foreign ports and (2) which are designed to show and sell the products of United States business and agriculture at each foreign port and at other commercial centers throughout the world.

"(b) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section."

Sec. 2. Section 104(m) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting immediately before "and (B)" the following: "or section 212(B) of the Merchant Marine Act, 1936".

The SPEAKER. Is a second demanded?

Mr. BOW. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. BONNER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is one of the most interesting bills that has been brought before the Committee on Merchant Marine and Fisheries of the House in years.

The purpose of this bill is to authorize and direct the Secretary of Commerce to provide assistance toward the development of the American merchant marine and the promotion of the foreign commerce of the United States through the use of portable export exhibits, generally referred to as "mobile trade fairs." The bill reported by our committee would accomplish this pur-

pose through amendment to section 212 of the Merchant Marine Act of 1936, as amended.

Experience to date indicates that a program of trade promotion and development through the active participation of the Government, the American maritime industry, and American exporters will eventually be virtually self-supporting, with a need for only a minimum of Government financial assistance. Accordingly, the bill, as reported, limits the authorization of appropriated funds to not to exceed \$500,000 for a fiscal year for each of the 3 fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. The bill further provides that use may be made of foreign currencies or counterpart funds owned by or owed to the United States to aid in carrying out its purposes.

The objectives of the bill, as it passed the Senate, and the original House bill, H.R. 12533, are the same except that the House committee, by amending title 2 of the Merchant Marine Act of 1936, as amended, emphasizes the intent to develop the American merchant marine as well as to promote the foreign commerce of the United States.

The idea proposed to be implemented by this legislation was initiated by a leading American steamship line, the Isbrandtsen Co., who has used it with considerable success as a means of stimulating trade. It is particularly valuable to small exporters and manufacturers who cannot afford to maintain worldwide organizations.

At very low cost, under the Mobile Trade Fair plan, as many as eight manufacturers may display their products in those parts of the world served by American steamship lines. The exhibits are displayed in metal containers about the size of a truck trailer. They are readily handled on and off ships and may be transported to inland trade centers, as well as being shown in port communities.

All work and attendant expenses, except certain assistance needed in the foreign areas, will be borne either by steamship operators or the exhibitor. In the initial stages of developing the program, it is anticipated that some Government assistance will be needed abroad for such purposes as facilitating entrance and clearance at foreign ports, public relations and arrangements for exhibiting space overseas and some financial assistance in foreign countries to defray such expenses as entrance clearance, truckage, site rental, labor, publicity, and transportation from ports to interior cities.

Our committee is greatly impressed with the prospects for such a program. Nevertheless, it is deemed desirable that this bill be limited to a 3-year period in the belief that its success will obviate the necessity for Government financial assistance beyond that period of time.

Mr. Speaker, this has nothing to do with the big land-based international trade fairs. I favor them, too, because they serve a valuable purpose in presenting the American way of life and our

industry to the world. This is for small businessmen. You should have heard the small individual businessmen who testified enthusiastically for this bill. If the House wants to give an opportunity to the small business of the United States to have a chance to send an exhibit of the products of small business around the world and let people see these products, here is the opportunity to do so.

Major companies of the American merchant marine have agreed to join in the program proposed by this bill to contribute a large portion of the expense of carrying it out with only a small cost to the Federal Government. I think the originator of this plan, the Isbrandtsen Line, should be congratulated, because it has brought to small business of this country an opportunity to exhibit their wares, where heretofore they never had a chance.

Mr. Speaker, I reserve the balance of my time.

Mr. BOW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would do nothing in any way to injure our merchant marine. I think as one who is landlocked there is no more ardent supporter of the merchant marine in the House than I am. I only regret the fact that we do not have a much bigger and better merchant marine. I think we are being overtaken by practically every nation in the world. I think we must do everything we can to support our merchant marine.

Mention was made here of agricultural subsidies and subsidies granted the merchant marine. The subsidies granted agriculture have created a great surplus where now they have become quite a problem. But there has been no surplus in the case of the subsidy given to our merchant marine; in fact, we have a scarcity. Our shipyards are being closed down. They should be building more ships. But that is not the purpose of my taking this second.

Mr. Speaker, I wanted to ask some questions. I happen to be on the subcommittee that handles appropriations for trade fairs, and I know something about the amount of money we are spending in that field. I should like to ask the distinguished gentleman from North Carolina whether or not he believes this program will be terminated at the end of 3 years or whether we are just embarking upon a program that will increase in cost rather than decrease.

Mr. BONNER. I first want to say that the gentleman from Ohio has been a strong advocate of the American merchant marine. I wish we had more inland people who had as keen an interest and insight into the American merchant marine as does the gentleman whom I am addressing at present.

This program covers a 3-year period.

Mr. BOW. This, of course, is supposed to be on an experimental basis for 3 years, but can the gentleman tell me whether this amount of \$500,000 a year is all that will be asked and that we have a 3-year limitation?

Mr. BONNER. We had the representatives of the various companies who wanted to participate in this program

and were willing to participate in it. So we arrived at an estimate of this figure for 3 years.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mr. MAILLIARD. I would remind the gentleman that the bill as it came to us from the Senate had neither a limitation of funds nor a limitation of time.

Mr. BOW. I recognize that, and I want to go into the Senate bill as I proceed.

Mr. MAILLIARD. We thought it was preferable to place a limitation on both the funds and the time.

Mr. BOW. We have had a library bill. I remember a few years ago we brought up that bill on an experimental basis for 2 years with a small appropriation, but it grew in size and extended in time. What I am trying to find out now is whether this is a real 3-year limitation at a cost of \$1,500,000, or will it continue beyond that time and beyond that amount?

Mr. BONNER. The gentleman from California has given a good explanation and answer. The Senate bill had no limitation in it. The committee in its consideration struck out everything after the enacting clause and inserted a bill on which we had had thorough hearings.

Mr. BOW. I am trying to find out whether, if this bill passes, it provides for a 3-year program or whether it provides for an experiment that will continue on indefinitely and cost a sizable amount of money.

Mr. BONNER. We believe that 3 years should be an ample test for this experiment, and it is on an experimental basis. What happens after that will depend on whether it proves successful and accomplishes what we hope it will.

Mr. BOW. In the same paragraph, under (C), appears the following:

In addition to such appropriated sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section.

I should like to find out from the committee whether the committee has in mind that the President shall come in under section 1415 of the Supplemental Appropriations Act of 1957, which requires an appropriation for all of these funds, or whether the gentleman feels the President will be able to use these funds without appropriation?

Mr. BONNER. It is my understanding we had in the committee, when we had foreign currency we used them.

Mr. BOW. That is an important point, and I should like to be very certain about this, because it is very important. Under the Supplemental Act of 1957, section 1415 was written in and has now become permanent law. In all cases where foreign currencies are going to be used, they first must be appropriated to the Treasury. That is a book-keeping transaction, so that the Congress can keep control on the foreign currency situation and know how they are being used.

Does the gentleman believe that under this language before the President can

use these funds he will have to submit the matter to the Congress and have appropriations for it?

Mr. BONNER. I want the President to do what is necessary under existing law. I think that is the answer the gentleman wants.

Mr. BOW. I would like to know whether the committee gave consideration to this fact and whether it is the idea of the committee they can use these funds wherever they exist without first coming to the Congress to have them allocated?

Mr. BONNER. I do not want any funds allocated whatsoever before coming to the Appropriations Committee.

Mr. BOW. The gentleman believes, then, that the President must come in under section 1415 before getting these funds?

Mr. BONNER. I agree with the gentleman.

Mr. BOW. I thank the gentleman.

Now, I note that in the Senate bill there was a provision including aircraft. The committee has stricken aircraft from this bill and confines it only to merchant-flag ships.

Mr. BONNER. That is right. This bill was first referred to the Committee on Interstate Commerce of the House. The Committee on Merchant Marine at that time was holding hearings on this subject. We went to the Speaker and the Parliamentarian and the chairman of the Committee on Interstate Commerce, and we got the bill through what we thought was our prerogative back to the Committee on Merchant Marine. I agree with the Committee on Foreign Affairs. We have submitted before we brought this bill out what we have done. The committee has jurisdiction over air transportation, so we struck out all air transportation because the Committee on Merchant Marine does not have jurisdiction over that.

Mr. BOW. Under the Senate bill aircraft could be used.

Mr. BONNER. Yes.

Mr. BOW. The gentleman said in his opening statement these exhibits can be taken inland and exhibited there. Would that not be better done by aircraft, which raises the question whether aircraft should be in this bill?

Mr. BONNER. If the gentleman is familiar with the truck bodies and the containers, you can lift them off the truck, you can put them on ships and send them by ship, you can transfer them to another truck and take them inland. Under the plan we considered aircraft would not be practical.

Mr. BOW. I should like to go one step further.

Mr. BONNER. I may say to the gentleman we favored aircraft utilization and felt there should be provision made for it in other legislation.

Mr. BOW. In other words, as I understand the gentleman, that will be further considered during the period of time this is going on; and if aircraft is necessary, consideration will be given to it?

Mr. BONNER. Yes; in a separate bill.

Mr. BOW. There is one further question I would like to ask, and that is

why an amendment to the Agricultural Trade Development Act of 1954 could not have been had by insertion of section 212(b) of the Merchant Marine Act of 1956?

Mr. BONNER. They have some authority to use counterpart funds, and we put it in there that the authority could be used in this instance.

Mr. BOW. I was concerned about section 212(b) because it contains language for the construction of ships and liners. There is no item in this for construction of liners or ships of any kind?

Mr. BONNER. There is no authorization for ships.

Mr. BOW. But you have written in the provisions of section 212(b). The Merchant Marine Act under section 212(b) is authority for construction. There is authority for construction by or with the aid of the U.S. express liner or superliner vessels comparable with those of other nations.

I would assume that there would be no intention to do that.

Mr. BONNER. If the gentleman will yield further, we will study all the maritime problems arising and carry out the policies set forth in title I of this act. That is general provision for various studies for improving the merchant marine. We do not intend to give any authority to build any ships.

Mr. BOW. What the gentleman from North Carolina has just read is section 212(a). But what the gentleman is amending, and including in this act, is section 212(b), which is construction of superliners. The gentleman will find the language of section 212(b) on page 17 of the report. Section 212(b) is the section with reference to the study of any movement of commodities in the water-borne export and import foreign commerce of the United States, for the purpose of securing preference to vessels of U.S. registry in the shipment of such commodities. However, under section 212 (b) there is stated the following:

There may be constructed by or with the aid of the United States express-liner or super-liner vessels comparable with those of other nations.

Mr. BONNER. That is a study. That is not to construct the vessel. It is a study of the vessel.

Mr. BOW. However, under section 212(b) (2) there is provision for construction.

Mr. BONNER. That is provision to study; to cooperate with vessel owners in devising means by which the importers and exporters of the United States can be induced to give preference to vessels under U.S. registry.

Mr. BOW. Now, read subsection (2) of that section.

Mr. BONNER (reading):

There may be constructed by or with the aid of the United States express-liner or super-liner vessels comparable with those of other nations.

Mr. BOW. Does the gentleman mean to have that language in this bill?

Mr. BONNER. No; we do not.

Mr. BOW. Well, the committee is the only one which can amend this bill. Will the committee offer an amendment to strike that from the bill?

Mr. BONNER. That is in the basic law; that is not in this bill.

Mr. BOW. You are amending this bill to include section 212 of your law.

Mr. BONNER. That is correct.

Mr. BOW. As a result, you are making that a part of the Agricultural Trade Development Act, and not the Merchant Marine Act.

Mr. BONNER. Now, which one is the gentleman talking about? There is one which begins with a capital B, and one which begins with a little (b). Does the gentleman see the difference there? I would ask the gentleman to turn to page 18 of the report where there is listed section 212(B).

Mr. BOW. That is where you now have amended the language of your bill.

Mr. BONNER. That language is as follows:

The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs.

Mr. BOW. I hope the committee will take this up in conference.

Mr. BONNER. Does that answer the gentleman's question?

Mr. BOW. No, I do not think it does. However, I shall discuss it with the gentleman later before he goes to conference.

Mr. Speaker, I would like to direct a parliamentary inquiry to the Chair.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BOW. Mr. Speaker, inasmuch as this is a Senate bill in which all after the enacting clause has been stricken and a new bill has been written by the House committee, my parliamentary inquiry is this:

Is there a limitation upon the conferees when they take it to conference, or may they write anything into the bill which might be germane thereto, even though it is not in disagreement with the House?

The SPEAKER pro tempore. The Chair will state that only as it relates to differences between the House bill and the Senate bill. They are limited by the differences between the two bills.

Mr. BOW. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOW. Can they write into a new bill that came in here language which is not in either the House bill or the Senate bill, or do they have complete freedom to write any language which might be germane to each bill?

The SPEAKER pro tempore. The Chair will state that they cannot do so, if the purpose is to expand the language in either bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman spoke of the money that we are presently spending on trade fairs, and so on and so forth.

Can the gentleman give us a rough estimate of how much money we are presently spending on them?

Mr. BOW. I will make a rough estimate, reserving the right to correct the

RECORD if I am mistaken, but I should think that in the appropriations just this year it would be over \$7 million.

Mr. GROSS. Does the gentleman think that his committee could reduce the amount of that expenditure in order to absorb this, or is this to be another one of those "in addition to"?

Mr. BOW. I can say this; that the committee generally does reduce the items submitted to it. I should assume this might be cut. We could reduce it somewhat after careful study to make sure that we work the will of the House if it passes this bill. I think we have gone all out on trade fairs and trade missions. I find that the other body has increased the amount authorized by the House in the bill which they have just reported out today. So I do think we will check that very carefully and should.

Mr. GROSS. I agree.

Mr. BOW. We have gone rather wild in many of these trade fairs, in the things we are doing. We are now establishing trade centers in many of the countries of the world through the Federal Government. I am glad to see one thing in this bill and that is that it has to do with private enterprise. I am hoping that private enterprise will move into this field and that by their going into it now to the tune of \$1.5 million we will not encourage private enterprise to look to the Federal Government and have the USIA and the Department of Commerce and others take it over. I hope that it will encourage private enterprise to do more of these things throughout the world, because it will be to their advantage as well as to the advantage of our Government.

Mr. BONNER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is, Will the House suspend the rules and pass the bill, S. 3389, as amended?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended to read "To amend the Merchant Marine Act, 1936, to develop the American merchant marine and promote the foreign commerce of the United States through the use of mobile trade fairs."

A motion to reconsider was laid on the table.

COMMITMENT OF CONSTRUCTION RESERVE FUNDS

Mr. BONNER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3396) to amend section 511(h) of the Merchant Marine Act, 1936, as amended, in order to extend the time for commitment of construction reserve funds.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso at the end of section 511(h) of the Merchant Marine Act, 1936, as amended, is amended to read as follows: "Provided, That until January 1, 1963, in addition to the extensions hereinbefore permitted, further

extensions may be granted ending not later than December 31, 1963."

SEC. 2. The amendment made by the first section of this Act shall take effect December 31, 1962, or on the date of enactment of this Act, whichever date first occurs.

Passed the Senate September 24, 1962.

Attest:

FELTON M. JOHNSTON,
Secretary.

The SPEAKER pro tempore. Is a second demanded?

Mr. PELLY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. BONNER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill would extend for 1 additional year the time in which a vessel operator might commit certain construction reserve funds for the construction of new vessels.

Section 511 of the Merchant Marine Act, 1936, provides that, to promote construction, and so forth, or acquisition of vessels, operators in the U.S. foreign or domestic shipping trades may establish a construction reserve fund in which tax-deferred deposits may be made of proceeds from sales of vessels, indemnities on account of losses, earnings from vessel operations, and so forth.

The benefit of the tax features of the law are available only after reserve funds are committed for new construction, reconstruction, vessel acquisition, and so forth, within the period described in regulations governing the fund.

This bill involves some \$11 million of construction reserve funds of the American-Hawaiian Steamship Co., on which Federal taxes will become due on January 1, 1963, unless the proposed extension of time for their commitment for new construction is granted.

American-Hawaiian Steamship Co. was one of the longtime U.S. operators in the intercoastal trades.

American-Hawaiian in 1961 was accorded a 1-year extension of time for commitment of funds, until December 31, 1962, after its application for mortgage insurance on three advanced design container ships was denied by the Maritime Administrator in favor of another operator who offered to use existing vessels. It now appears that the hearings likely will not be concluded in time for commitment of the funds by the end of this year, for which reason an extension to December 13, 1963, is considered necessary.

Thus, the delay in committing the reserve funds for the construction of the proposed new vessels is not due to any delay or lack of diligence on the part of American-Hawaiian but rather due to the extensive hearings presently being held by the Maritime Administration.

The three container ships the company proposes to build would represent a total outlay of \$64 million. The vessels would be among the world's most modern and fastest cargo types, with a capacity of nearly 1,000 containers, accommodating

20,000 tons of cargo. Their 24-knot speed would make possible a 9-day sailing schedule between east and west coast ports of the United States. Each container could fit on a truck chassis or rail flatcar for land travel.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from California.

Mr. HOLIFIELD. Where would this \$11 million go if it were not used for this purpose?

Mr. BONNER. They would draw it down and pay certain tax assessments.

Mr. HOLIFIELD. In other words, it would go into the U.S. Treasury?

Mr. BONNER. Well, the operator would get the major part of the money.

Mr. SHELLEY. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from California.

Mr. SHELLEY. The point is that under the law they were allowed to build up these reserves which are held by the U.S. Government, in a way. They are held on deposit. There is no tax levied against them. What we are doing here is extending for 1 year the period against which no tax will be levied provided that they then build a ship for the intercoastal service.

If this bill is not passed the American-Hawaiian Steamship Co., which is now going out of the steamship business unless they rebuild the vessel, will be entitled to withdraw the funds they are entitled to less the amount due the Federal Government, and that will end them in this business.

Mr. BONNER. That is all there is to it.

Mr. PELLY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I think I might supplement what the chairman of the Committee on Merchant Marine and Fisheries has said by saying that the American-Hawaiian Steamship Co., applied to the Maritime Administration for assistance in constructing certain ships, and that application was rejected. Now they have been asked to resubmit an application, as I understand. The reason for extending the time during which they may keep this reserve fund without having to pay taxes on it is that now a new application has been filed with the Maritime Commission, and it is apparent that if this application is approved we can have modernization in our intercoastal service by the addition of ships and vessels for that purpose. The need for this legislation is not caused by the steamship company. Rather the cause is a delay on account of Government action.

The SPEAKER pro tempore. The question is, will the House suspend the rules and pass the bill S. 3396, as amended?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXTENDING CERTAIN TIME LIMITATIONS WITH RESPECT TO THE VESSEL "SPITFIRE"

Mr. BONNER. Mr. Speaker, I move to suspend the rules and pass the bill—H.R. 12968—to amend section 901(b) of the Merchant Marine Act, 1936, to eliminate certain time limitations, with amendments.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the vessel Spitfire owned by the General Cargo Corporation, New York, New York, shall be deemed to be a privately owned, United States-flag commercial vessel for the purposes of subsection (b) of section 901 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1241(b)), notwithstanding the time limitations in the last sentence of such subsection if such vessel is documented under United States registry on its first arrival at a United States port not later than December 31, 1962.

The SPEAKER pro tempore. Is a second demanded?

Mr. MAILLIARD. I demand a second, Mr. Speaker.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. BONNER. Mr. Speaker, the purpose of the bill, as reported with amendments, is to extend until December 31, 1962, certain time limitations of section 901(b) of the Merchant Marine Act, 1936, as amended, with respect to the vessel *Spitfire*, owned by the General Cargo Corp. of New York, N.Y., so that the vessel will be eligible as a privately owned U.S.-flag commercial vessel for participation in the carriage of cargoes under the cargo preference law.

Section 901(b) of the Merchant Marine Act, 1936, as amended by Public Law 87-266, provides that for purposes of determining eligibility for participation in cargoes reserved for "privately owned U.S.-flag commercial vessels" under that section—the cargo preference law—the term "privately owned U.S.-flag commercial vessels" shall not be deemed to include any vessel which subsequent to the date of enactment of that amendment—September 21, 1961—is documented under foreign laws or is rebuilt outside the United States, until such vessel has been documented under the laws of the United States for a period of 3 years.

The section, as amended, makes an exception if prior to enactment of the amendment, first, the owner of a vessel, or contractor for the purchase of a vessel, originally constructed in the United States and rebuilt abroad or contracted to be rebuilt abroad, has notified the Maritime Administration of its intent to document such vessel under U.S. registry and such vessel is so documented on its first arrival at a U.S. port not later than 1 year subsequent to the date of enactment of the amendment; or, second, the owner of a vessel under U.S. registry has made a contract for the rebuilding abroad of such vessel and has notified the Maritime Administration of such

October 2, 1962

11. LOANS. Passed without amendment H. R. 12653, to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase from \$150 million to \$200 million annually the amount of loans which may be insured under the Act. This bill will now be sent to the President. pp. 20491-2
Passed without amendment H. R. 946, to extend to oyster planters the benefits of the provisions of present law which provide for production disaster loans for farmers and stockmen. This bill will now be sent to the President. p. 20491
12. SCHOOL LUNCH. Both Houses received and the Senate agreed to the conference report on H. R. 11665, to amend the National School Lunch Act so as to revise the formula for apportioning cash assistance funds to States to base it on the number of lunches served in the preceding year and a slightly modified assistance need factor (instead of on the number of children aged 5 to 17 and the assistance need factor) and provide for a three-year transition to the new formula (25 percent of the funds being apportioned on the new formula the first year, 50 percent the second year, and 75 percent on the new formula the third year) (H. Rept. 2512). pp. 20535, 20595-6, 20571, 20650
13. FOREIGN AID APPROPRIATION BILL, 1963. By a vote of 57 to 24, passed with amendments this bill, H. R. 13175. Conferees were appointed. pp. 20446-68, 20494-5, 20500-03, 20510-3
14. WORLD FOOD CONGRESS. The Foreign Relations Committee reported with amendment S. 3679, to authorize appropriations to enable the U. S. to extend an invitation to the Food and Agricultural Organization of the U. N. to hold a World Food Congress in the U. S. in 1963 (S. Rept. 2263). p. 20514
15. MINERALS. Passed as reported S. 1696, to authorize the Secretary of the Interior to conduct a survey of federally-owned lands for the purpose of locating strategic minerals. pp. 20475-6
16. TOBACCO. Passed without amendment H. R. 12855, to amend the Agricultural Adjustment Act of 1938 providing for the lease and transfer of tobacco acreage allotments so as to exclude cigar-filler and cigar-binder tobacco, types 42, 43, 44, 53, 54, and 55 from the lease and transfer authority. This bill will now be sent to the President. p. 20492
17. ELECTRIFICATION. Passed as reported H. R. 10708, to amend the Rural Electrification Act of 1936 so as to authorize REA to finance communication facilities for the transmission of sounds, signals, pictures, writing, or signs as well as voice. p. 20492
18. EDUCATION. Passed as reported S. 3477, to provide a program to assist the States in further developing their programs of general university extension education to be operated by the State universities and land-grant colleges. pp. 20476-8
19. FORESTRY. Passed as reported S. 3370, to authorize the Secretary of Agriculture to relinquish to Wyo. jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain District. p. 20492
Sen. Yarborough inserted an article discussing the purpose and problems of the national parks, "National Parks - A National Issue." pp. 20492-3
20. BONDING. Received from Treasury a report on operations in connection with the bonding of Government officers and employees for fiscal year 1962. pp. 20513-4
21. COMMUNICATIONS. The Government Operations Committee reported without amendment H. R. 11899, to amend the Federal Property and Administrative Services Act so

- as to provide for a Federal telecommunications fund (S. Rept. 2262). p. 20514
22. WATER POLLUTION. Passed without amendment H. R. 10617, to give the U. S. district courts concurrent original jurisdiction of cases involving the pollution of interstate river systems where the pollution is an alleged violation of an interstate compact and the signatory States have consented to such jurisdiction in their compact. This bill will now be sent to the President. pp. 20479-80
 23. PUBLIC LANDS. Passed without amendment H. Con. Res. 574, to authorize the compiling and printing of a U. S. map showing the extent of public surveys, national forests, national parks, reclamation projects, etc. p. 20487
 24. APPROPRIATIONS. Sen. Smathers submitted notice of his intention to suspend the rules for the purpose of proposing an amendment to H. R. 13290, the supplemental appropriation bill, so as to include the provisions of a recently passed bill to provide for retirement plans for self-employed individuals. pp. 20515-21
 25. PASSED OVER the following bills:
 - S. 2225, to fix the fees payable to the Patent Office. p. 20473
 - H. R. 8140, to strengthen the laws relating to conflict of interest. p. 20480
 26. LIBRARY. Sen. Jordan inserted a report of the Library of Congress on its functions and programs. pp. 20523-31
 27. TRADE FAIRS. Conferees were appointed on S. 3389, to promote the foreign trade of the U. S. through the use of mobile trade fairs. House conferees have not yet been appointed. p. 20535
 28. MIGRATORY BIRDS. Concurred in the House amendment to S. 3504, to authorize the appropriation of \$7500 for expenses of the Migratory Bird Conservation Commission. This bill will now be sent to the President. p. 20540
 29. TRANSPORTATION. Agreed to the conference report on S. 320, to amend the Interstate Commerce Act so as to permit State commissions to grant the right to motor common carriers operating within a single State to engage in interstate or foreign operations within the State. This bill will now be sent to the President. pp. 20546-7
 30. PATENTS. Passed as reported S. 2639, to amend title 35, U.S.C., to permit a written declaration to be accepted in lieu of an oath from applicants for patents or trademarks. pp. 20566-7
 - Passed as reported H. R. 12513, to provide for public notice of settlements in patent interferences. p. 20566
 31. STATE-JUSTICE-COMMERCE APPROPRIATION BILL, 1963. This bill, H. R. 12580, was made the unfinished business of the Senate. p. 20567
 32. WATERSHEDS. The "Daily Digest" states that the Public Works Committee "in executive session, approved the following watershed projects: Tobesoskee Creek, Ga.; Cottonwood Creek, Okla.; Delaware Creek, Okla.; and Boulder Lake Watershed, Wyo." p. D927
 33. LEGISLATIVE PROGRAM. Sen. Mansfield announced that H. R. 8140, to strengthen the criminal laws relating to bribery, graft, and conflict of interest, will be considered on Wed., followed by the State, Justice, and Commerce appropriation bill; the conference report on the drug bill; and the conference report on the

latory agency to the statutory standards to which rates must conform.

C. PARTIAL SUBSCRIBERSHIP

We endorse the principle of partial subscribership, believing it to be economically desirable that a company be free to avail itself of the services of a rating organization for some lines of insurance without thereby being compelled to utilize all the services of a rating organization. This principle is expressed both in the present casualty rate law (sec. 35-1506(d)) and in the amendment to S. 556 which would substitute a new provision. We express no preference as between the present and proposed provisions. If Congress should believe that the amendment more adequately defines and protects the principle of partial subscribership, then we would certainly recommend its enactment.

D. DEVIATIONS

The deviation procedure under S. 556 is a more desirable one than exists for fire insurance at present (sec. 35-1405). A deviation would no longer be limited to a 1-year period of effectiveness; and the rating organization and its members and subscribers are denied the right to oppose the application for a deviation (S. 556, sec. 3). These provisions would eliminate the burdens of refile annually and of facing the harassment of administrative and judicial proceedings instigated by competitors which discourage all but the strongest and most aggressive companies from attempting to engage in competition through rate reduction or coverage innovation.

We might suggest, however, that S. 556 could well take the final step in removing restrictions from the deviator's ability to compete. There would appear to be no compelling need to require that a deviation must have prior approval to become effective when an independent or rating organization rate does not (sec. 35-1503(f)). The requirement serves to place the deviator at a competitive disadvantage vis-a-vis the independent or member or subscriber of a rating organization. A company which desires to utilize rating organization services but not rating organization rates should not be placed at such a disadvantage. This might be accomplished by the adoption of the new section 35-1506(f) proposed as an amendment to S. 556.

We would like to note at this point our endorsement of that portion of the proposed amendment to section 3 of S. 556 which would deny to any competitor or organization of competitors the status of a party to any hearing on a filing or deviation of any company or rating organization or to an appeal from an order entered thereon. This is a logical and equitable extension of the principle contained in the present section 3 of S. 556. It would hardly be appropriate to free the deviator from the burden of opposition from its competitors while leaving the independent or rating organization subject to it. Our endorsement of this provision rests upon our understanding that, while denied the status of parties, competitors and rating organizations would have the right to present their views on a rate filing to the superintendent.

E. ADHERENCE TO RATING ORGANIZATION RATES

With the elimination of mandatory bureau membership, the creation of partial subscribership, and the facilitation of deviation, the requirement that a member or subscriber adhere to rates filed on its behalf by a rating organization (sec. 35-1503(g)) ceases to be a burden upon competition, if properly interpreted and administered by the superintendent. If the superintendent is to exercise his duty to determine that rates meet the statutory standards, the rates must be filed with him. The filing of the rates would be meaningless if the rates were not in fact

utilized by the companies filing them or on whose behalf they are filed. It is therefore not unreasonable to require adherence to the filed rates, since the freedom to compete is preserved by the rights to file independently, to be a partial subscriber, and to deviate from rating organization rates.

CONCLUSION

There are those who will say that to liberalize the District fire rate law as discussed above is to precipitate rate wars with resultant chaos and failure of companies due to inadequate rates. To dispel this contention one need only to point to the industry's experience in those States with liberal laws and particularly in a State such as California which does not even require that rates be filed with the insurance commissioner. That experience demonstrates that competition is not detrimental to the health of the industry and that mandatory bureau membership and uniformity of rates are not required to protect the public interest. The industry thrives under the liberal laws and in California there has not been a single company failure due to inadequacy of rates.²⁰

We urge that legislation be enacted to provide within the District the competitive climate which Congress intended to create in the insurance industry when it passed the McCarran Act; and to provide the States with an unequivocal expression of the type of regulation which Congress contemplated when it granted the States the authority to regulate this great industry and immunize it from the full impact of the antitrust laws.

PROMOTION OF FOREIGN COMMERCE THROUGH MOBILE TRADE FAIRS

Mr. ENGLE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3389.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, which were to strike out all after the enacting clause and insert:

That title II of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.), is amended by adding immediately after section 212(A) thereof (46 U.S.C. 1122a) the following new section:

"Sec. 212. (B) (a) The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs (1) which to the extent they are transported by vessel shall be transported by vessels of United States registry to foreign ports and (2) which are designed to show and sell the products of United States business and agriculture at such foreign ports and at other commercial centers throughout the world.

"(b) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section."

SEC. 2. Section 104(m) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting immediately before ", and (B)" the following: "or section 212(B) of the Merchant Marine Act, 1936".

²⁰ S. Rept. 831, 87th Cong., 1st sess. (1961), p. 116.

And to amend the title so as to read: "An Act to amend the Merchant Marine Act, 1936, to develop the American merchant marine and promote the foreign commerce of the United States through the use of mobile trade fairs."

Mr. ENGLE. Mr. President, I move that the Senate disagree to the amendments of the House and ask for a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ENGLE, Mr. BARTLETT, and Mr. BUTLER conferees on the part of the Senate.

AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT—CONFERENCE REPORT

Mr. JORDAN of North Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JORDAN of North Carolina. Mr. President, the Senate made two amendments to the House bill.

The first Senate amendment provided for a 3-year transition from the old cash assistance apportionment formula to the new formula provided by the bill. The conference report recommends that the House agree to this amendment.

The other Senate amendment provided for a more mathematical formula for apportionment to States of the \$10 million special assistance funds authorized by the bill. The conference report recommends that the House agree to this amendment with two clarifying changes, which represent no change in substance; but help to carry out the intention of the Senate amendment. The first of these changes makes it clear that State needs for additional special assistance funds must be based on needs of "eligible" schools. The second change makes it clear that the maximum per lunch limitation on any school's share of special assistance funds would be a uniform limit for all States. That was always intended by the Senate amendment.

The conference report was signed by all conferees of each House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

FOREIGN AID AUTHORIZATIONS
AND DEFICITS

Mr. ROBERTSON. Mr. President, we have just passed a bill of something over \$4 billion for foreign aid, all of which will be borrowed money, because, on the best estimates I have been able to make, without a tax cut we will be in the red more than \$8 billion in the current fiscal year. Dr. Heller, chief of the economic advisers, told the mortgage bankers in Chicago that we were going to have a tax cut to stimulate the economy. It will probably be along the lines of the bill recommended by Walter Reuther and other labor leaders, and will probably cut the tax from 20 to 10 percent. That will result in a deficit of another \$10 billion, making a total of \$18 billion.

In addition, we hear consistent rumors to the effect that the President is going to issue an order to desegregate all housing.

He has no constitutional right, but it is claimed that the NAACP is putting on constant pressure.

There is \$175 billion tied up in mortgages.

It is claimed that if that order goes into effect, it would cut new construction from 50 to 75 percent.

Mr. President, I have had an opportunity to analyze the census information on housing. It is very significant. The construction program has slowed down. Unoccupied housing has increased. Foreclosures have greatly increased.

If we are to have a tax cut and if we are to continue to spend borrowed money for people abroad, as though it cost nothing, and if, in addition, we are to take action which I think would be outside our constitutional authority, to definitely slow down private enterprise, what will be the result? Mr. President, the result will be bankruptcy, eventually.

NEW FACTS ABOUT HOUSING

Mr. President, new and important housing facts have come to light as the results of the 1960 census of housing have been released. Few of these facts have received the public attention they deserve.

According to the census information, our housing economy during the 1950's surpassed expectations in several major respects. Houses and apartments were built in a record number—and production was more than one-fifth larger than previously estimated. The housing supply improved a great deal in average quality—and in some cases the improvement was dramatic. The use of housing space eased considerably—and as a result crowding declined to an all-time low.

Even so, our housing economy raised some basic questions about the goals and achievements of Federal housing programs.

I would like to review briefly these and other developments in the housing field, and to comment upon their implications for Government housing policies.

RECORD PRODUCTION

Mr. President, the 1960 housing census and related measures indicate that about 15 million dwelling units were completed

during the 1950's. As in earlier decades, private enterprise and private ownership accounted for nearly all production. Of the 15 million units completed, all but some 425,000 were privately built and owned. Thirty-four times more private dwellings were built than public dwellings.

These findings, in my opinion, reemphasize the strategic role of private enterprise in residential construction. They underline the importance of adopting public policies designed to make the most of private market forces—not to bypass them by setting up arbitrarily low interest rates, arbitrarily high standards, or uneconomic rents.

The census findings also suggest the price we would pay, in terms of gigantic public outlays, if Federal policies so discouraged private construction that we had to rely mainly upon public building activity instead. An estimated \$170 billion in new nonfarm residential construction was put in place during the 1950's. Of this total, approximately \$165 billion, or 97 percent, was privately owned.

Production of dwellings over the past decade considerably exceeded the volume of building registered in the 1920's, the previous 10-year record. Even so, recent production was smaller in relation to the inventory existing at the beginning of the period, because the 1950 inventory was more than twice the size of the 1920 inventory. The 15 million dwellings completed between 1950 and 1960 were equivalent to about 33 percent of the 46.1 million units existing in 1950. Some 7 million dwellings were recorded as started between 1920 and 1929; that output was equivalent to approximately 39 percent of the 17.7 million units existing in 1920.

Most new units completed during the 1950's were financed by conventional mortgages or by all-cash payments. Less than 30 percent, or about 4.2 million units, were underwritten by FHA-insured or by VA-guaranteed loans. Here again, private initiative—unaided by public credit—performed most of the job.

IMPROVEMENTS IN QUALITY

New housing production during the 1950's, as well as improvements to the existing inventory, contributed toward a marked rise in the average quality of the housing supply. A long stride was taken toward fulfilling the declaration of national housing policy enunciated in the Housing Act of 1949, "the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family."

Occupied housing increased by about 10 million units, or by 23 percent, over the last decade. But occupied dwellings of higher quality—with complete plumbing facilities, and in structures reported as not dilapidated—increased far more by about 16½ million units or by 60 percent. In 1950, these units of higher quality made up about three-fifths of the total occupied housing stock. But by 1960, they accounted for over four-fifths.

During the same 10-year period, occupied housing of lower quality—lacking complete plumbing facilities, or in dilap-

idated structures—declined by over two-fifths. The decline of at least 6.4 million units reduced the number of lower quality dwellings to less than 9 million units. A further reduction of a similar amount in the 1960's—through demolition, repair, or other means—would eliminate nearly all dwellings now lacking complete plumbing facilities, or in dilapidated structures.

In my own State of Virginia, the quality of occupied housing improved dramatically in the 1950's. All occupied housing increased by about 228,000 units, or by about one-fourth. But occupied housing of higher quality increased by an estimated 359,000 units, or by four-fifths. Meanwhile, lower quality occupied dwellings declined by 131,000 units, or by more than three-tenths.

All regions of the Nation improved their housing. Take the case of dwellings occupied by nonwhite households in the census region of the South. There occupied units of all types increased by 291,000, or by 12 percent, between 1950 and 1960. At the same time, higher quality units occupied by nonwhite households increased by 720,000, or by over 200 percent. Lower quality units decreased by 429,000, or by 20 percent.

Further improvement in the quality of our housing inventory will undoubtedly occur in the 1960's. To make the most progress, I believe that a careful analysis of the record of the 1950's should be made to reveal some of the major factors that contributed toward our past housing progress. Such an analysis would help to show what may need to be done in the future. Past experience suggests that most housing improvement can take place as a result of private market operations with minimum reliance upon direct Federal intervention through subsidized programs requiring large outlays of public funds.

EASING OCCUPANCY

The 1960 census of housing and related measures show that occupancy eased notably during the past decade. The use of residential space declined in intensity even as the postwar backlog of housing demand was being worked down.

One indication of easing occupancy appeared in the declining trend of married couples who doubled up by sharing the same dwelling. Doubling up dropped from over 2 million in early 1950 to 945,000 in early 1960. That was the lowest number of doubled up married couples since 1910. It was the lowest proportion of all married couples—2.4 percent—on record. By 1960, doubling up was 2 million below the all time high in 1947, when the rate was 3.7 percent.

Between 1950 and 1960, in other words, the number of doubled up married couples declined by half. The rate of doubling up declined from 5.6 percent to 2.4 percent. These declines took place during the same period that the total number of married couples increased by more than a tenth.

Doubling up in 1960 was far below comparable figures prevailing in 1930 after nearly a decade of active building. Early in 1930, 1,525,000 married couples

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Oct. 4, 1962

For actions of Oct. 3, 1962

87th-2d, No. 180

Contents

Air pollution.....34
Appropriations.....5,6,20
Area redevelopment.....20
Assistant Secretary.....14
Attache housing.....30
Census.....25
Communications.....4,29
Conflict of interest.....21
Conservation.....31
Dairy products.....19
Drugs.....13,23
Electrification.....4

Employment.....14,31,33
Ethics.....21
Farm labor.....13
Farm program.....15,32
Foreign aid.....5
Foreign buildings.....30
Forest highways.....20
Forestry.....26
Grain.....17
Organization
Executive.....35
Legislative.....11

Legislative program.....13
Legislative record.....12
Manpower.....27
Minerals.....7
Monopolies.....3
Oceanography.....22
Pay increase.....13,14
Personnel...13,14,21,30,33
Pesticides.....18
Postal rates.....14
Public works.....8
Research.....26,34
Roads.....10
School lunch.....13
Small business.....28
Social security.....36
Statistics.....24
Trade fairs.....9
Transportation.....13,17
Wilderness.....1
World Food Congress...2,16
Youth employment.....31

HIGHLIGHTS: Sen. Miller criticized farm program. Sen. Humphrey commended dairy donation program. Sen. Morse inserted article on dangers in use of pesticides. Senate passed bill for holding World Food Congress. Sen. Burdick commended transportation industry in moving grain crop. Sen. Humphrey expressed regret over failure to pass Youth Conservation Corps bill. Sen. Morse defended location of forest fire research laboratories. Senate passed State-Justice-Commerce appropriation bill. House committee reported wilderness bill. House passed supplemental appropriation bill. House committee reported bill for holding World Food Congress. Both Houses received and Senate agreed to conference report on pay bill.

HOUSE

1. WILDERNESS. The Interior and Insular Affairs Committee reported with amendment H. R. 776, to establish a national wilderness preservation system for the permanent good of the whole people (H. Rept. 2521). p. 20787
2. FOOD CONGRESS. The Foreign Affairs Committee reported without amendment H. R. 13307, authorizing an appropriation to enable the U. S. to extend an invitation to the Food and Agriculture Organization of the U. N. to hold a World Food Congress in the U. S. in 1963 (H. Rept. 2524). p. 20787
3. MONOPOLIES. The Rules Committee reported a resolution for the consideration of H. J. Res. 636, the proposed Quality Stabilization Act. pp. 20655, 20787
4. ELECTRIFICATION. Began debate on the Senate amendment to H. R. 10708, to amend the Rural Electrification Act of 1936 so as to authorize REA to finance communication facilities for the transmission of sounds, signals, pictures,

writing, or signs as well as voice. p. 20728

Received from the Federal Power Commission a copy of a publication, "Typical Electric Bills, 1962." p. 20787

5. FOREIGN AID APPROPRIATION BILL, 1963. Conferees were appointed on this bill, H. R. 13175. Senate conferees have already been appointed. pp. 20654-5
6. SUPPLEMENTAL APPROPRIATION BILL, 1963. Passed with amendment this bill, H. R. 13290 (pp. 20656-81). Agreed to an amendment appropriating \$250,000 for ARS for plant and animal disease and pest control (pp. 20667-70). As reported this bill includes \$500,000 for the Bureau of Outdoor Recreation, and \$3,850,000 for the revolving fund for the Virgin Islands Corporation.
7. MINERALS. Both Houses received from the President the semiannual report of the Office of Minerals Exploration. pp. 20681, 20789
8. PUBLIC WORKS. Passed with amendment H. R. 13273, the public works authorization bill. pp. 20681-719
9. TRADE FAIRS. Conferees were appointed on S. 3389, to promote the foreign commerce of the U. S. through the use of mobile trade fairs. Senate conferees have already been appointed. p. 20686
10. ROADS. Received from GAO a report on a review of selected activities of the Federal-aid highway program in Idaho. p. 20787
11. LEGISLATIVE ORGANIZATION. Rep. Halpern urged agreement to a resolution creating a Joint Committee on the Organization of the Congress. p. 20786
12. LEGISLATIVE RECORD. Several Representatives inserted statements on the legislative accomplishments of the 2nd session of the 87th Congress. pp. 20774-81, 20781-3.
13. LEGISLATIVE PROGRAM. Rep. Albert announced the following legislative program for Thurs.: H. R. 3985, import duty on certain bread; H. R. 12109, duty-free entry of certain grasses; H. R. 5260, processing tax on coconut oil; H. R. 5700, contract carriers; conference report on H. R. 11970, proposed Trade Expansion Act of 1962; conference report on H. R. 12648, the agricultural appropriation bill; conference report on H. R. 7927, the pay bill; conference report on S. 1552, the drug bill; S. 1123, to extend certain child labor provisions of the Fair Labor Standards Act to children employed in agriculture; and the conference report on H. R. 11665, the school lunch fund apportionment bill. p. 20755

SENATE

14. PERSONNEL. Both Houses received and the Senate agreed to the conference report on H. R. 7927, the Federal pay and postal rate increase bill (H. Rept. 2525) (pp. 20732-55, 20787, 20855-7). See Digest 174 for items of interest. The Foreign Relations Committee reported without amendment S. 3459, to authorize the appointment of one additional Assistant Secretary of State (S. Rept. 2272). p. 20790
Received from the Joint Committee on Reduction of Nonessential Federal Expenditures the report on Federal employment and pay for August 1962. pp. 20790-3
15. FARM PROGRAM. Sen. Miller referred to Sen. Humphrey's recent criticism of

that seems torn between civic pride and shame.

Shops were open again, but military convoys continued to rumble through the town, directed by military police stationed at intersections to halt civilian traffic when necessary.

MP's constantly patrolled the streets and the campus in jeeps. Army helicopters spun low overhead and Air Force troop transports kept the tiny airport busier than it has ever been.

Every car entering Oxford was searched for weapons by MP's who set up blockades on all roads leading into town.

There was some question by what legal authority this was accomplished, but as one resentful Oxford resident commented: "Who's going to fight 'em?"

"If I had to research the authority for that," said U.S. Attorney H. M. Ray, "I wouldn't have time to get my work done." He said it as an afterthought to a curt "No comment."

Theoretically, local government and law enforcement still prevail, but the demarcation between them and military authority is thin at the moment.

Martial law has not been declared, but Lt. Gen. Hamilton H. Howze, in command of the troop buildup, admitted it was pretty close at one time. He hastened to add that the situation had been close, not the declaration.

Chief of Police James D. Jones said he was glad to see the troops move in because he didn't think he had enough men to handle the situation. There are six in his department.

Local police are continuing to enforce city ordinances, he said, but the quelling of what might develop into a disturbance in the streets was up to the military. * * *

Mr. COLMER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is not my intention to get into any debate at this time on this unfortunate tragedy that is being enacted in my once sovereign State of Mississippi, but since the question has been raised here may I say to my distinguished friend from Texas and to the other Members of this body, and through this media to the country, that my understanding of the situation that has developed in Mississippi goes far beyond General Walker.

If what I understand to be the true facts down there as I have gotten them from reliable people, the whole question of the constitutional rights not only of General Walker but of the people of—again I repeat—the once sovereign State of Mississippi are being challenged and are being run over rough-shod.

In this connection, Mr. Speaker, many sound lawyers challenge the procedure if not the legality itself under which the U.S. Supreme Court through the Justice Department acted to force this would be student Meredith into the University of Mississippi.

As Mr. Arthur Krock so well pointed out in the New York Times on October 1, Mississippi was denied due process. He said in part:

Established procedure under due process is completed only when a court of last resort has formally disposed of the final step available to litigants. Since the agreement of all the other Justices that Black announced in his order of September 12, 1962, could have been learned only by communication means other than face-to-face discussion, this raises the legitimate question whether 'due-process'

was afforded the State of Mississippi. If, as Justice Black also announced, the Court was certain to reject the State's request for review, that could have been done in the established manner when the Court reassembled today, the day Meredith actually was enrolled at the university.

In other words, in the haste of the administration to force the admission of the NAACP's candidate Meredith into the all-white university, the State of Mississippi was denied the opportunity under due process to have the merits of its side considered by the Supreme Court in an orderly manner. Instead a single Justice, Hugo Black, after some kind of a Gallup poll, acted on his own. The appeal of the State of Mississippi for an orderly review of the case is thus left hanging in the balance and has never been acted upon.

Mr. Speaker, I had not intended to go into this at this time. At another point in the RECORD I will have some further remarks on this unfortunate event.

Mr. Speaker, this is happening today to the people of Mississippi under the pretext of the admission of one man with his alleged rights, while the rights of 5,000 other students are apparently not considered. Yet it is happening to them under that pretext today. How do we know it is not going to happen to you tomorrow under some other pretext?

Mr. Speaker, I am so concerned about this matter, I am so disturbed about it, that I even hesitate to speak on the subject. But let me say to my friend from Texas that in the other body the machinery has been set in motion for an investigation of the legality of this whole procedure that has brought on this holocaust down in my beloved State of Mississippi.

(Mr. COLMER asked and was given permission to revise and extend his remarks.)

Mr. ALGER. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. COLMER. Mr. Speaker, I yield for a unanimous-consent request only.

Mr. ALGER. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and to include extraneous material that will include some of the conversation to which I alluded in my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the resolution.

The question was taken.

Mr. FULTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 344, nays 4, not voting 87, as follows:

[Roll No. 267]

YEAS—344

Abbutt	Edmondson	Lipscomb
Abernethy	Elliott	Loser
Addabbo	Ellsworth	McCulloch
Albert	Everett	McFall
Alford	Fallon	McMillan
Alger	Farbstein	McVey
Andersen,	Fascell	Macdonald
Minn.	Feighan	Mack
Andrews	Fenton	Madden
Arends	Findley	Mahon
Ashbrook	Finnegan	Mailliard
Ashley	Fino	Marshall
Ashmore	Fisher	Martin, Nebr.
Auchincloss	Flood	Mason
Avery	Flynt	Mathias
Ayres	Fogarty	Matthews
Bailey	Ford	May
Baker	Forrester	Meader
Baldwin	Fountain	Merrow
Baring	Frelinghuysen	Miller, Clem
Barrett	Friedel	Miller, N.Y.
Barry	Fulton	Milliken
Bass, N.H.	Gallagher	Mills
Bass, Tenn.	Garland	Minshall
Bates	Garmatz	Moeller
Battin	Gary	Monagan
Becker	Gathings	Montoya
Beckworth	Gavin	Moore
Beermann	Gialmo	Moorhead, Pa.
Bell	Gilbert	Morgan
Bennett, Fla.	Gonzalez	Morris
Betts	Goodling	Morrison
Blatnik	Granahan	Morse
Boland	Grant	Mosher
Bolton	Gray	Moss
Bonner	Green, Oreg.	Multer
Bow	Griffin	Murphy
Brademas	Gross	Murray
Bray	Hagan, Ga.	Natcher
Brewster	Hagen, Calif.	Nedzi
Bromwell	Haley	Nelsen
Brooks, Tex.	Halleck	Nix
Broyhill	Halpern	Norblad
Bruce	Harding	Norrell
Buckley	Hardy	Nygaard
Burke, Mass.	Harrison, Wyo.	O'Brien, N.Y.
Burleson	Harsla	O'Hara, Ill.
Byrne, Pa.	Harvey, Mich.	O'Konski
Byrnes, Wis.	Healey	Olsen
Cahill	Hechler	O'Neill
Carey	Hemphill	Osmers
Casey	Henderson	Ostertag
Cederberg	Hoeven	Passman
Celler	Hollifield	Patman
Chamberlain	Holland	Pelly
Chelf	Horan	Perkins
Chenoweth	Hosmer	Peterson
Church	Huddleston	Pfost
Clancy	Ichoud, Mo.	Philbin
Clark	Inouye	Pike
Coad	Jarman	Pilcher
Cohelan	Jennings	Plinie
Collier	Jensen	Poage
Colmer	Joelson	Poff
Conte	Johnson, Calif.	Powell
Cook	Johnson, Md.	Price
Cooley	Johnson, Wis.	Purcell
Corbett	Jonas	Randall
Corman	Jones, Ala.	Ray
Cramer	Judd	Reece
Cunningham	Karsten	Reuss
Curtin	Karth	Rhodes, Ariz.
Curtis, Mass.	Kastenmeier	Rhodes, Pa.
Curtis, Mo.	Kearns	Riehlman
Daddario	Keith	Riley
Dague	Kelly	Rivers, Alaska
Daniels	Kilgore	Rivers, S.C.
Davis,	King, Calif.	Roberts, Ala.
James C.	King, N.Y.	Roberts, Tex.
Davis, Tenn.	King, Utah	Robison
Dawson	Kirwan	Rodino
Delaney	Kitchin	Rogers, Colo.
Dent	Kluczynski	Rogers, Fla.
Denton	Knox	Rooney
Derounian	Kornegay	Rosenthal
Derwinski	Kowalski	Rostenkowski
Devine	Kunkel	Roudebush
Dingell	Kyl	Rough
Dole	Landrum	Rutherford
Donohue	Lane	Ryan, Mich.
Dorn	Langen	Ryan, N.Y.
Dowdy	Lankford	St. George
Downing	Latta	St. Germain
Doyle	Lennon	Santangelo
Dulski	Lesinski	Schadeberg
Durno	Libonati	Schenck
Dwyer	Lindsay	Schneebeli

Schweiker	Sullivan	Wallhauser
Schwengel	Taber	Walter
Scott	Taylor	Weaver
Selden	Teague, Calif.	Westland
Shelley	Teague, Tex.	Wharton
Shriver	Thomas	Whitener
Sibal	Thompson, La.	Whitten
Sikes	Thompson, N.J.	Wickersham
Sisk	Thompson, Tex.	Wildnall
Slack	Thomson, Wis.	Willson, Calif.
Smith, Iowa	Thornberry	Willson, Ind.
Smith, Miss.	Toll	Winstead
Smith, Va.	Tolleison	Wright
Spence	Trimble	Yates
Stafford	Tuck	Young
Staggers	Tupper	Younger
Stephens	Udall, Morris K.	Zablocki
Stratton	Vanik	
Stubblefield	Waggonner	

NAYS—4

Hoffman, Ill.	Pillion	Smith, Calif.
Johansen		

NOT VOTING—87

Adair	Hansen	Pucinski
Alexander	Harris	Quie
Anderson, Ill.	Harrison, Va.	Rains
Anfuso	Harvey, Ind.	Reifel
Aspinall	Hays	Rogers, Tex.
Belcher	Hébert	Roosevelt
Bennett, Mich.	Herlong	Roussélot
Berry	Hiestand	Saund
Blitch	Hoffman, Mich.	Saylor
Boggs	Hull	Scherer
Bolling	Jones, Mo.	Scranton
Boykin	Kee	Seely-Brown
Breeding	Keogh	Sheppard
Broomfield	Kilburn	Shipley
Brown	Laird	Short
Burke, Ky.	McDonough	Siler
Cannon	McDowell	Springer
Chilperfield	McIntire	Steed
Davis, John W.	McSween	Ullman
Diggs	MacGregor	Utt
Dominick	Magnuson	Van Pelt
Dooley	Martin, Mass.	Van Zandt
Evins	Michel	Vinson
Frazier	Miller	Watts
Glenn	George P.	Wels
Goodell	Moorehead,	Whalley
Green, Pa.	Ohio	Williams
Griffiths	Moulder	Willis
Gubser	O'Brien, Ill.	Zelenko
Hall	O'Hara, Mich.	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mrs. Weis.
 Mr. Keogh with Mr. Adair.
 Mr. Green of Pennsylvania with Mr. Van Pelt.
 Mr. Zelenko with Mr. Michel.
 Mr. Rogers of Texas with Mr. Brown.
 Mr. Hull with Mr. McIntire.
 Mr. Rains with Mr. Utt.
 Mr. Roosevelt with Mr. Bennett of Michigan.
 Mr. Sheppard with Mr. Moorehead of Ohio.
 Mr. O'Brien of Illinois with Mr. Laird.
 Mr. Shipley with Mr. Berry of South Dakota.
 Mr. Herlong with Mr. Anderson of Illinois.
 Mr. Aspinall with Mr. Dominick.
 Mr. Alexander with Mr. Springer.
 Mr. John W. Davis with Mr. Quie.
 Mr. Anfuso with Mr. Siler.
 Mr. George P. Miller with Mr. Chilperfield.
 Mr. Ullman with Mr. MacGregor.
 Mr. McDowell with Mr. Short.
 Mrs. Griffiths with Mr. Kilburn.
 Mr. Harris with Mr. Van Zandt.
 Mr. Pucinski with Mr. Saylor.
 Mr. Magnuson with Mr. McDonough.
 Mr. Watts with Mr. Roussélot.
 Mr. Williams with Mr. Hiestand.
 Mr. Breeding with Mr. Scherer.
 Mr. Willis with Mr. Belcher.
 Mr. Burke of Kentucky with Mr. Harvey of Indiana.
 Mr. Boggs with Mr. Glenn.
 Mr. Diggs with Mr. Reifel.
 Mr. Evins with Mr. Goodell.
 Mrs. Hansen with Mr. Hall.
 Mr. Hays with Mr. Martin of Massachusetts.

Mr. O'Hara of Michigan with Mr. Broomfield.

Mrs. Kee with Mr. Scranton.

Mr. Steed with Mr. Gubser.

Mr. Harrison of Virginia with Mr. Dooley.

Mr. McSween with Mr. Seely-Brown.

Mr. Vinson with Mr. Hoffman of Michigan.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

MOBILE TRADE FAIRS

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? The Chair hears none, and appoints the following conferees: Messrs. BONNER, DOWNING, CASEY, MAILLIARD, and PELLY.

RIVER AND HARBOR AND FLOOD CONTROL PROJECTS

Mr. DAVIS of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13273) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13273 with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Tennessee [Mr. DAVIS] will be recognized for 1 hour, and the gentleman from New Jersey [Mr. Auchincloss] will be recognized for 1 hour.

The Chair recognizes the gentleman from Tennessee.

Mr. DAVIS of Tennessee. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, if I may have the attention of the committee for a moment, I should like to say that the members of this Committee on Public Works on both sides of the aisle have agreed in all sincerity to do everything possible to reduce the time consumed in the consideration of this bill, despite the fact that it is a big one.

I recognize that there are 297 Members of this House affected directly or indirectly, and certainly interested in the consideration of this bill. We recognize that there are 167 projects included in it. We know also that it carries a money value of \$2,300 million, covering 167 projects.

There is a bill in the other body which I understand will be considered on to-

morrow. It carries a much greater money value. I want to be absolutely frank with the House. We want to get a good bill out, but we recognize that we will go into conference when we pass our version, with very skillful legislators, and it will require patience, and I hope intelligent action on our part.

So, then, recognizing further that so many of our Members want to get home, having some duties to perform at home, some living a great distance from here, they should be entitled to go.

Se we want to cooperate with the House, and we ask the House cooperate with us, and we will get this bill out of the way as soon as possible and seek the conference and undertake to resolve the difference and try to bring back a sound bill which will be agreed to in conference. We do ask you to cooperate with us as we are asking to cooperate with you. We are going to discourage as much as possible too much conversation and too much discussion on the bill which may prove collateral. We want to keep this bill very much at it is, without the addition of any other projects. But I will say, in all fairness, we are going to have a bill in the House come next session, because there are a great many projects that should be in this bill and we promise, early in the session next year that this committee will give serious and full hearings to a great many projects that you may have in mind at the moment.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. I yield to the gentleman from Washington.

Mr. WESTLAND. I am interested in this China Gardens project.

Mr. DAVIS of Tennessee. That is in the bill.

Mr. WESTLAND. I know it is in the bill, I may say to the gentleman, but we are very much interested on the Columbia and on the Snake Rivers in the fish going upstream. I understand there were no public hearings on China Gardens. It was authorized something like 7 years ago. It is supposed to be a re-regulating reservoir for Nez Perce and High Mountain Sheep, one of which is going to be constructed. It seems to me that you put the cart before the horse here when you authorize or build High Mountain Sheep, then perhaps the China Gardens would be in order.

Mr. DAVIS of Tennessee. May I interrupt the gentleman. If he will consult the gentleman on his side handling that particular project, they will advise the gentleman what they have in mind at the moment.

Mr. WESTLAND. I thought the chairman of the committee would be able to give me some information.

Mr. DAVIS of Tennessee. I am giving it to the gentleman.

Mr. WESTLAND. Why were not hearings held?

Mr. DAVIS of Tennessee. I am not going to yield further. I will get to that at the proper time.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Oct. 8, 1962
For actions of Oct. 4, 5, & 6, 1962
87th-2d, Nos. 182 &
183

CONTENTS

ACP.....18	Electrification.....23,46	Grants-in-aid.....43
Adjournment.....31,36	Employment.....20	Imports.....29
Agricultural	Expenditures.....28,41	Inspection.....25
appropriations.....14	Extension work.....54	Lands.....4,16
Appropriations.....	Farm labor.....29,48	Legislative program.....
7,14,15,30,32,35	Farm program.....16,4913,30,35
ASC committees.....5,38	Flood control.....8,30,42	Legislative record.2,12,34
Automation.....40	Food-and-mouth disease..33	Lumber industry.....45
Bridges.....25	Foreign aid.....7,32,39	Milk.....37
Centennial.....47	Foreign trade.....22,27,44	Patents.....53
Chemicals.....52	Forest products.....45	Pay increase.....3,33
Conservation.....26	Forest Service.....19,51	Personnel.....3,20,33,56
Cotton.....17	Golden eagle.....9	Political activity.....55
		Postal rates.....3,33
		Public works.....8,30
		Research.....1
		Roads.....11
		Stockpiles.....50
		Surplus food.....24
		Trade fairs.....6
		Transportation.....10,21
		Virgin Islands.....55
		Wool.....29

HIGHLIGHTS: (Oct. 5) Senate insisted on amendments in disagreement on agricultural appropriation bill. Sen. Russell objected to reporting of supplemental appropriation bill. Sen. Holland inserted Sen. Eastland's article urging that cotton be made more competitive. Sen. Morse commended Land and People Conference in Ore. Senate passed bill to facilitate work of Forest Service. Sen. Morse inserted Secretary Freeman's letter refuting charge of political influence in locating forest fire research laboratories. House agreed to conference report on pay bill. House received conference report on foreign aid appropriation bill. Rep. Pfof commended ASC county committeemen. (Oct. 6) House agreed to conference report on foreign aid appropriation bill.

HOUSE - October 4, 1962

1. RESEARCH. Rep. Reuss criticized geographic concentration of Federal research grants saying, "... it not only boosts the technological advance of some industries but distorts their natural geographic distribution across the country." pp. 21280-2

2. LEGISLATIVE ACCOMPLISHMENTS. Several Representatives inserted statements on the legislative accomplishments of the 2nd session of the 87th Congress. pp. 21265-7, 21279-80

HOUSE - October 5, 1962

3. PAY BILL. By a vote of 312 to 20, agreed to the conference report on H. R. 7927, the postal increase and pay bill. This bill will now be sent to the President. pp. 21403-15
4. LANDS. Concurred in the Senate amendments to H. R. 7781, to authorize GSA to convey by quitclaim deed a parcel of land in Prince Georges County, Md., to the Silver Hill Voluntary Fire Department and Rescue Squad. The Senate amendments inserted the language of H. R. 11111, to amend the act of October 4, 1961, authorizing the Secretary of Agriculture to sell and convey certain forest lands in Iowa so as to provide that such sale shall be subject to the condition that the property be used for public purposes, and inserted the language of S. 3589, to authorize the Secretary of Agriculture to acquire certain lands in Wright County, Minn. and exchange them with the State of Minnesota for State-owned lands in the Superior National Forest. This bill will now be sent to the President. p. 21422
5. ASC COMMITTEES. Rep. Pfof commended the ASC county committeemen saying, "It is these men I want to salute today and thank them for their efforts in the past which have resulted in the greatest agriculture in the world." p. 21464
6. TRADE FAIRS. Received and agreed to the conference report on S. 3389, to promote foreign commerce through the use of mobile trade fairs (H. Rept. 2538). pp. 21416-7, ~~21496~~
7. FOREIGN AID APPROPRIATION BILL, 1963. Received the conference report on this bill, H. R. 13175 (H. Rept. 2540). pp. 21459-60, 21496
8. PUBLIC WORKS. Rep. Saylor objected to a unanimous consent request to appoint conferees on H. R. 13273, the rivers, harbors, and flood control authorization bill. p. 21398
9. GOLDEN EAGLE. Rep. Fisher objected to a unanimous consent request to concur in the Senate amendments to H. J. Res. 489, to provide protection for the golden eagle. p. 21402
10. TRANSPORTATION. Received the conference report on H. R. 5700, to amend the Tariff Act of 1930 to permit contract carriers by motor vehicle to transport bonded merchandise (H. Rept. 2541). pp. 21458, 21496
11. ROADS. Rep. Fallon reviewed the highway legislation enacted in the 87th Congress and inserted a table on the status of improvement of the national system of interstate and defense highways as of June 30, 1962. pp. 21472-4
12. LEGISLATIVE ACCOMPLISHMENTS. Several Representatives discussed the legislative accomplishments of the 2nd session of the 87th Congress. pp. 21460-3, 21469-72
13. LEGISLATIVE PROGRAM. Rep. Albert announced that there will be no legislative business on Mon. and that various conference reports will be considered on Tues. pp. 21463-4

MOBILE TRADE FAIRS

OCTOBER 5, 1962.—Ordered to be printed

Mr. BONNER, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 3389]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That title II of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.), is amended by adding immediately after section 212(A) thereof (46 U.S.C. 1122a) the following new section:

“SEC. 212. (B)(a) The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs which are designed to show and sell the products of United States business and agriculture at foreign ports and at other commercial centers throughout the world where the operator or operators of the mobile trade fairs exclusively use United States flag vessels and aircraft in the transportation of their exhibits.

“(b) The Secretary of Commerce is authorized to provide to the operator or operators of such mobile trade fairs technical assistance and support as well as financial assistance for the purpose of defraying certain expenses incurred abroad, when the Secretary determines that such operations provide an economical and effective means of promoting export sales.

“(c) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated sums, the President shall make maximum use of foreign currencies

owned by or owed to the United States to carry out the purposes of this section.

"(d) The Secretary of Commerce shall submit annually to the Congress a report on his activities under this Act."

SEC. 2. Section 104(m) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting immediately before ", and (B)" the following: "or section 212(B) of the Merchant Marine Act, 1936".

And the House agree to the same.

That the title be amended to read as follows: "To amend the Merchant Marine Act, 1936, to develop American flag carriers and promote the foreign commerce of the United States through the use of mobile trade fairs."

HERBERT C. BONNER,
THOMAS N. DOWNING,
BOB CASEY,
WILLIAM S. MAILLIARD,
THOMAS M. PELLY,

Managers on the Part of the House.

CLAIR ENGLE,
E. L. BARTLETT,
JOHN MARSHALL BUTLER,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute. The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for both the Senate bill and the House amendment. The conference substitute is in large part the same as the amendment of the House to the Senate bill. The differences between the House amendment and the substitute agreed to in conference are noted in the following outline except for minor technical and clarifying changes made necessary by reason of the conference agreement.

The House amendment authorized the Secretary of Commerce to encourage and promote the development and use of mobile trade fairs which are designed to show and sell the products of U.S. business and agriculture at foreign ports and other commercial centers throughout the world, and which, to the extent they are transported by vessel, shall be transported by vessels of U.S. registry. The conference substitute adds language to include U.S.-flag aircraft as well as vessels for the transportation of the mobile trade fairs.

The House amendment authorized appropriations for each of the 3 fiscal years during the period beginning July 1, 1962, and ending June 30, 1965, together with foreign currencies owned by or owed to the United States when made available by the President. The conference substitute retains the appropriation provision, and includes in substance the provision of the Senate bill granting discretionary authority to the Secretary of Commerce to provide the operator or operators of the mobile trade fairs technical and financial support for the purpose of defraying certain expenses incurred abroad when he determines that such operations provide an economical and effective means of promoting export sales.

The conference substitute adds a new subsection which would require the Secretary of Commerce to submit annual reports to the Congress on activities under the act.

The committee report on the House amendment expressed the opinion that the administration of the mobile trade fairs program proposed by the bill should be carried out through the Maritime Administration, rather than through other agencies within the Department of Commerce concerned with trade promotion through the use of land-based, international trade fairs, trade centers, and trade mission programs. In a letter dated September 27, 1962, the General Counsel of the Department of Commerce made the following comments to

Senator Clair Engle, chairman of the managers on the part of the Senate, with reference to the above-mentioned report:

The Secretary does not believe it is at all desirable, by legislative history or express statutory language, to restrict administration of such program to any given bureau within the Department. It is by no means certain that this sort of program would now or at all times in the future be best administered by the Maritime Administration. Neither do I suggest that such a program, if provided by Congress and if funds are appropriated, would not in fact be administered by the Maritime Administration. The point I would emphasize is that this feature of administration should not be fixed by statute or legislative history but rather be left to the best judgment and discretion of the Secretary of Commerce in the light of events which may develop in the future.

Accordingly, we would recommend that any legislation on this subject enacted by Congress should clearly provide, both in its express terms and in any legislative history, that administration is to be accomplished through such bureaus or offices in the Department of Commerce as the Secretary finds most suitable for the task.

The managers on the part of the House recognized the justification for the views of the Department of Commerce in regard to the desirability of leaving full discretion in the Secretary as to the best method of administering the program. However, the managers on the part of the House wish to emphasize their belief that, insofar as concerns mobile trade fairs transported by U.S.-flag vessels, the Maritime Administrator should participate in the coordination of plans for carrying out the program, irrespective of the particular bureau within the Department having overall responsibility for administration.

The managers on the part of the House expressed the view, concurred in by the managers on the part of the Senate, that official travel by U.S. officers or employees concerned with the administration of the mobile trade fairs program shall be on U.S.-flag ships or aircraft where such ships or aircraft are available, unless the necessity of the mission requires the use of a ship or aircraft under foreign flag.

HERBERT C. BONNER,
THOMAS N. DOWNING,
BOB CASEY,
WILLIAM S. MAILLIARD,
THOMAS M. PELLY,

Managers on the Part of the House.

○

[Roll No. 279]

YEAS—312

Addabbo
Albert
Alford
Andersen,
Minn.
Anderson, Ill.
Andrews
Arends
Ashbrook
Ashley
Ashmore
Auchincloss
Ayres
Baker
Baldwin
Barrett
Barry
Bass, Tenn.
Bates
Battin
Becker
Beckworth
Bennett, Fla.
Betts
Blatnik
Boggs
Boland
Bolton
Bonner
Bow
Brademas
Bray
Brewster
Brooks, Tex.
Broomfield
Broyhill
Bruce
Buckley
Burke, Mass.
Byrne, Pa.
Byrnes, Wis.
Cahill
Cannon
Casey
Cederberg
Chamberlain
Chelf
Chenoweth
Clancy
Coad
Cohelan
Collier
Conde
Cook
Cooley
Corbett
Corman
Cramer
Cunningham
Curtis, Mass.
Daddario
Dague
Daniels
Davis,
James C.
Davis, John W.
Davis, Tenn.
Delaney
Dent
Derwinski
Diggs
Dole
Donohue
Dorn
Dowdy
Downing
Doyle
Dulski
Durno
Dwyer
Edmondson
Ellsworth
Everett
Fallon
Farbstein
Fascell
Feighan
Fenton
Finnegan
Fino
Flood
Flynt
Forrester
Fountain
Frelighuysen
Friedel
Fulton
Gallagher
Gardland
Garmatz
Gary
Gavin
Gialmo
Gilbert
Glenn

Gonzalez
Goodell
Goodling
Granahan
Grant
Gray
Green, Oreg.
Green, Pa.
Griffin
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Hallick
Halpern
Hardy
Harris
Harrison, Wyo.
Harsha
Harvey, Mich.
Healey
Hechler
Hemphill
Henderson
Herlong
Hollfield
Holland
Horan
Hosmer
Huddleston
Hull
Ichord, Mo.
Inouye
Jarman
Jennings
Jensen
Joelson
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jones, Ala.
Judd
Karsten
Karth
Kastenmeier
Kearns
Keith
Kelly
Keogh
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kitchin
Kluczynski
Kornegay
Kowalski
Kunkel
Kyl
Landrum
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lindsay
Lipscomb
McCulloch
McDowell
McFall
McMillan
Macdonald
Mack
Madden
Mahon
Mailliard
Martin, Mass.
Mason
Mathias
Matthews
May
Meador
Merrow
Miller, N.Y.
Miliken
Mills
Minshall
Moeller
Monagan
Montoya
Moore
Moorehead,
Ohio
Moorhead, Pa.
Morgan
Morris
Morrison
Morse
Mosher
Moss
Moulder
Multer
Murphy

Murray
Natcher
Nelsen
Nix
Norblad
Norrell
Nygaard
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill
Osmers
Ostertag
Passman
Patman
Pelly
Perkins
Pfost
Philbin
Pike
Pitcher
Pillion
Pirnie
Powell
Price
Pucinski
Purcell
Quile
Randall
Reece
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Riley
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rooney
Rosenthal
Rostenkowski
Roudebush
Roush
Rousselot
Rutherford
Ryan, Mich.
Ryan, N.Y.
St. George
St. Germain
Santangelo
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Selden
Shelley
Shriver
Sibal
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Smith, Miss.
Springer
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Taylor
Teague, Tex.
Thomas
Thompson, Tex.
Thomson, Wis.
Toll
Tollefson
Trimble
Tupper
Udall, Morris K.
Utt
Vanik
Van Zandt
Waggoner
Wallhauser
Walter
Weaver
Westland
Wharton
Whitten
Wickersham
Widnall
Willis
Wilson, Ind.
Wright
Young
Younger
Zablocki

NAYS—20

Abbutt
Abernethy
Alger
Beermann
Burleson
Colmer
Curtis, Mo.

Devine
Fisher
Ford
Gathings
Gross
Johansen
Jonas

Marshall
Martin, Nebr.
Poff
Taber
Tuck
Winstead

ANSWERED "PRESENT"—2

Church

Ray

NOT VOTING—101

Adair
Alexander
Anfuso
Aspinall
Avery
Bailey
Baring
Bass, N.H.
Belcher
Bell
Bennett, Mich.
Berry
Blitch
Bolling
Boykin
Breeding
Bromwell
Brown
Burke, Ky.
Carey
Celler
Chiperfield
Clark
Curtin
Dawson
Deaton
Derounian
Dingell
Dominick
Dooley
Elliott
Evins
Findley
Fogarty

Frazier
Griffiths
Hall
Hansen
Harding
Harrison, Va.
Harvey, Ind.
Hays
Hébert
Hiestand
Hoeven
Hoffman, Ill.
Hoffman, Mich.
Jones, Mo.
Kee
Kilburn
King, Utah
Knox
Laird
Loser
McDonough
McIntire
McSween
McVey
MacGregor
Magnuson
Michel
Miller, Clem
Miller,
George P.
Nedzi
O'Brien, Ill.
O'Konski
Peterson

Poage
Rains
Reifel
Reuss
Rogers, Tex.
Roosevelt
Saund
Scherer
Schwengel
Scott
Scranton
Seely-Brown
Sheppard
Shipley
Short
Siler
Smith, Va.
Spence
Sullivan
Teague, Calif.
Thompson, La.
Thompson, N.J.
Thornberry
Ullman
Van Pelt
Vinson
Watts
Weis
Whalley
Whitener
Williams
Wilson, Calif.
Yates
Zelenko

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Wilson of California.
Mr. Anfuso with Mr. Derounian.
Mr. Celler with Mr. Brown.
Mr. George P. Miller with Mr. Berry.
Mr. Ullman with Mr. Michel.
Mr. Aspinall with Mr. Knox.
Mr. Sheppard with Mr. Hoffman of Illinois.
Mr. Shipley with Mr. Short.
Mr. Roosevelt with Mr. Findley.
Mr. Hays with Mr. Siler.
Mr. Thompson of Louisiana with Mr. O'Konski.
Mr. Zelenko with Mr. Bennett of Michigan.
Mr. Burke of Kentucky with Mr. Avery.
Mr. Denton with Mr. McIntire.
Mr. Peterson with Mr. Laird.
Mr. Alexander with Mr. Curtin.
Mr. Rogers of Texas with Mr. Bell.
Mr. Carey with Mr. Schwengel.
Mr. O'Brien of Illinois with Mr. Van Pelt.
Mr. Clem Miller with Mr. Hiestand.
Mr. Dingell with Mr. Kilburn.
Mr. Nedzi with Mr. MacGregor.
Mr. Breeding with Mr. Belcher.
Mr. Loser with Mr. Hoeven.
Mr. Magnuson with McDonough.
Mr. Rains with Mr. Scherer.
Mr. Watts with Mr. Bromwell.
Mr. Thompson of New Jersey with Mr. Adair.
Mr. Bailey with Mr. Hall.
Mr. Reuss with Mr. Reifel.
Mr. Fogarty with Mr. Teague of California.
Mr. Scott with Mr. Harvey of Indiana.
Mrs. Sullivan with Mr. Dominick.
Mr. Thornberry with Mr. Scranton.
Mr. Yates with Mr. Bass of New Hampshire.

Mr. Williams with Mr. Dooley.
Mr. Baring with Mr. Chiperfield.
Mr. Clark with Mr. Hoffman of Michigan.
Mr. Evins with Mr. McVey.
Mr. Elliott with Mr. Seely-Brown.
Mrs. Griffiths with Mrs. Weis.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mrs. CHURCH. Mr. Speaker, on the vote on H.R. 7927, since the conference report contains an increase in retirement pay which would, if passed, be of personal benefit to me upon my retirement at the close of this 87th Congress, I regretfully accepted the necessity of disqualifying myself from voting and voted "present."

GENERAL LEAVE TO EXTEND

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 10501. An act for the relief of Kenyon B. Zahner.

H.R. 12217. An act for the relief of George Edward Leonard.

H.R. 12434. An act to facilitate the work of the Forest Service, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3361. An act to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5700) entitled "An act to amend the Tariff Act of 1930 to permit the designation of certain contract carriers as carriers of bonded merchandise," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8952) entitled "An act to amend the Internal Revenue Code of 1954 with respect to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers excise taxes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 12599) entitled "An act relating to the income tax treatment of terminal railroad corporations and their

shareholders," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7283) entitled "An act to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses."

The message also announced that the Senate disagrees to the amendment of the House to the Senate amendment No. 2 to the bill (H.R. 12648) entitled "An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes."

The message further announced that the Senate further insists on its amendments Nos. 2, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 to the above-entitled bill.

USE OF MOBILE TRADE FAIRS

Mr. BONNER submitted the following conference report and statement on the bill (S. 3389) to promote the foreign commerce of the United States through the use of the mobile trade fairs:

CONFERENCE REPORT (H. REPT. No. 2538)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That title II of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.), is amended by adding immediately after section 212(A) thereof (46 U.S.C. 1122a) the following new section:

"Sec. 212. (B) (a) The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs which are designed to show and sell the products of United States business and agriculture at foreign ports and at other commercial centers throughout the world where the operator or operators of the mobile trade fairs exclusively use United States flag vessels and aircraft in the transportation of their exhibits.

"(b) The Secretary of Commerce is authorized to provide to the operator or operators of such mobile trade fairs technical assistance and support as well as financial assistance for the purpose of defraying certain expenses incurred abroad, when the Secretary determines that such operations provide an economical and effective means of promoting export sales.

"(c) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated

sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section.

"(d) The Secretary of Commerce shall submit annually to the Congress a report on his activities under this Act."

"SEC. 2. Section 104(m) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting immediately before 'and (B)' the following: 'or section 212(B) of the Merchant Marine Act, 1936'."

And the House agree to the same.

That the title be amended to read as follows: "To amend the Merchant Marine Act, 1936, to develop American flag carriers and promote the foreign commerce of the United States through the use of mobile trade fairs."

HERBERT C. BONNER,
THOMAS N. DOWNING,
BOB CASEY,
WILLIAM S. MAILLIARD,
THOMAS M. PELLY,

Managers on the Part of the House.

CLAIR ENGLE,
E. L. BARTLETT,
JOHN MARSHALL BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute. The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for both the Senate bill and the House amendment. The conference substitute is in large part the same as the amendment of the House to the Senate bill. The differences between the House amendment and the substitute agreed to in conference are noted in the following outline except for minor technical and clarifying changes made necessary by reason of the conference agreement.

The House amendment authorized the Secretary of Commerce to encourage and promote the development and use of mobile trade fairs which are designed to show and sell the products of U.S. business and agriculture at foreign ports and other commercial centers throughout the world, and which, to the extent they are transported by vessel, shall be transported by vessels of U.S. registry. The conference substitute adds language to include U.S.-flag aircraft as well as vessels for the transportation of the mobile trade fairs.

The House amendment authorized appropriations for each of the 3 fiscal years during the period beginning July 1, 1962, and ending June 30, 1965, together with foreign currencies owned by or owed to the United States when made available by the President. The conference substitute retains the appropriation provision, and includes in substance the provision of the Senate bill granting discretionary authority to the Secretary of Commerce to provide the operator or operators of the mobile trade fairs technical and financial support for the purpose of defraying certain expenses incurred abroad when he determines that such operations provide an economical and effective means of promoting export sales.

The conference substitute adds a new subsection which would require the Secretary of Commerce to submit annual reports to the Congress on activities under the act.

The committee report on the House amendment expressed the opinion that the administration of the mobile trade fairs program proposed by the bill should be carried out through the Maritime Administration, rather than through other agencies within the Department of Commerce concerned with trade promotion through the use of land-based, international trade fairs, trade centers, and trade mission programs. In a letter dated September 27, 1962, the General Counsel of the Department of Commerce made the following comments to Senator CLAIR ENGLE, chairman of the managers on the part of the Senate, with reference to the above-mentioned report:

"The Secretary does not believe it is at all desirable, by legislative history or express statutory language, to restrict administration of such program to any given bureau within the Department. It is by no means certain that this sort of program would now or at all times in the future be best administered by the Maritime Administration. Neither do I suggest that such a program, if provided by Congress and if funds are appropriated, would not in fact be administered by the Maritime Administration. The point I would emphasize is that this feature of administration should not be fixed by statute or legislative history but rather be left to the best judgment and discretion of the Secretary of Commerce in the light of events which may develop in the future.

"Accordingly, we would recommend that any legislation on this subject enacted by Congress should clearly provide, both in its express terms and in any legislative history, that administration is to be accomplished through such bureaus or offices in the Department of Commerce as the Secretary finds most suitable for the task."

The managers on the part of the House recognized the justification for the views of the Department of Commerce in regard to the desirability of leaving full discretion in the Secretary as to the best method of administering the program. However, the managers on the part of the House wish to emphasize their belief that, insofar as concerns mobile trade fairs transported by U.S.-flag vessels, the Maritime Administrator should participate in the coordination of plans for carrying out the program, irrespective of the particular bureau within the Department having overall responsibility for administration.

The managers on the part of the House expressed the view, concurred in by the managers on the part of the Senate, that official travel by U.S. officers or employees concerned with the administration of the mobile trade fairs program shall be on U.S.-flag ships or aircraft where such ships or aircraft are available, unless the necessity of the mission requires the use of a ship or aircraft under foreign flag.

HERBERT C. BONNER,
THOMAS N. DOWNING,
BOB CASEY,
WILLIAM S. MAILLIARD,
THOMAS M. PELLY,

Managers on the Part of the House.

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, are all of the amendments germane to the subject matter of the bill as it left the House?

Mr. BONNER. The bill as it came over from the Senate included aviation. The House Committee struck out aviation, and it went back to the Senate. We went to conference. The Senate insisted on the inclusion of aviation.

The Committee on Merchant Marine and Fisheries of the House does not have jurisdiction over aviation. However, I have cleared this with the chairman of the Committee on Interstate and Foreign Commerce of the House, and it was unanimously agreed to. The matters pertaining to aviation will be referred hereafter to the Committee on Interstate and Foreign Commerce should aviation be used in this matter. This passed practically unanimously.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FACILITATING ENTRY OF ALIEN SKILLED SPECIALISTS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3361) to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MOORE. Mr. Speaker, reserving the right to object, I would like to have the gentleman from Pennsylvania explain this legislation.

Mr. WALTER. Mr. Speaker, this bill was approved by Subcommittee No. 1 of the Committee on the Judiciary early in this session but was not acted upon largely because the Senate did not show any indication of getting around to taking it up.

The bill moves the date of registration up to March 31, 1954, for brothers and sisters and married sons and daughters of citizens of the United States where they have applied for an immigrant visa under the law and did not get a quota number.

The second section of the bill provides for entry or the adjustment of immigrant status of those skilled aliens whose services are urgently needed in the United States. Many of these people have been certified by the Defense Department and defense contractors that they are needed. We have been dealing with some of them on a piecemeal basis in the form of private legislation. This bill makes it possible to adjust the status of the people who are presently in the United States and have first preference

petitions approved, and makes entry possible for those who, in similar status, still remain abroad.

I understand that the gentleman from West Virginia is going to offer an amendment that will strike section 4 from the bill.

It is a good amendment. The purpose, of course, is to not make it profitable to hide out for a prolonged period of time.

Mr. JUDD. Mr. Speaker, further reserving the right to object, may I ask the gentleman from Pennsylvania [Mr. WALTER] if the provision in the bill which would accept persons who are in this country or who are otherwise qualified for admission and with skills that are urgently needed in this country, would also apply to persons brought here for training under exchange programs and who under present law are required to leave the country for at least 2 years after their training before they are eligible to ask for an adjustment of status?

Mr. WALTER. No; it would not. The educational exchange visitors are under obligation to their governments and to their countrymen. We feel very strongly that they ought to return home and be for at least the 2 years of service to their respective countries. They agreed to do so before they came to the United States as exchange students or as visitors.

Mr. JUDD. Mr. Speaker, I withdraw my reservation.

Mr. GROSS. Mr. Speaker, further reserving the right to object, did the gentleman from Pennsylvania [Mr. WALTER] use the phrase "hide out," and in what way?

Mr. WALTER. Well, under the law, where an alien has been in the United States prior to June 28, 1940, and where upon application it is found that he is of good moral character and is not a criminal or subversive, then his status may be adjusted regardless of how long he has been in hiding.

The other body changed that date from June 28, 1940, to December 24, 1952. We do not think that this should be done. We think it puts a premium on the ability to hide. If there are meritorious cases, then we feel we can deal with them adequately through existing suspension of deportation laws or through private legislation. As a matter of fact, I do not think there were more than 15 such cases brought to the attention of your committee under section 244(a)(4) of the immigration code, in this session.

Mr. GROSS. Let me ask the gentleman one final question:

How many people would the gentleman estimate would be involved in this and blanketed under this bill?

Mr. WALTER. In the first place, you must remember that most of the beneficiaries of first preference petitions are in the United States at the present time, they are here, and I doubt very much that proceedings to deport them have been instituted. In the other category—the sons and daughters and brothers and sisters of citizens of the United States—I think the total number is about 16,000.

But they are only made eligible to enter. It does not mean that that is the number that will be actually coming.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

Mr. SANTANGELO. Mr. Speaker, I support S. 3661, a bill to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens. I regret that the lateness of the session prevents us from improving upon this bill.

While this bill helps, it does not do enough. It permits only a trickle to come when what we need is a stream. Our country was founded by Europeans, immigrants explored our West and built our railroads, our roads, our buildings and much industry. Our economy has been strengthened by the contributions made by the flow of people with skills. Our Nation has been defended by our manpower, our youth, many of whom were sons of recent immigrants.

The Senate amendment to the House provision, in section 1 of the bill which changes the registration date from December 31, 1954, back to March 31, 1954, closes the door to 45,000 people who have been patiently waiting to rejoin their relatives, their parents, their brothers and sisters. Those who made these changes are experts in figures but they do not apparently understand emotions or strong family ties. This cutback on date is shortsighted and detrimental to our relations with peoples who seek to rejoin their families. I am unhappy by this cutback but I am pleased for the extension of registration date of 3 months to March 31, 1954. In the next session I shall continue to fight on to see to it that amendments are made so that families are reunited as was promised during the presidential campaign.

I applaud the committee's action in giving nonquota status to skilled workers. This provision will clear up the long lists of first quota preferences which consume the numbers which might be available to second, third, and fourth preference and nonpreference applicants. This provision will permit 7,000 families to come to the United States. From my observations skilled workers can find employment in Europe and need not come here. However, family connections and relatives lure people to our shores.

We in the United States should never forget that we can use new bloodstreams. We must know that the economically poor, the farmer of Italy, France, Germany, or other European country desires to come to the United States, the land of opportunity. This bill offers little to these people who need to emigrate. Southern Senators and Congressmen who oppose liberalization would prefer taking bracero or Mexican labor rather than Europeans who want to settle on the farm. More than 400,000 braceros or Mexican laborers filter through the Southwest and South to work the farms and then to move on. The Senators and Congressmen from the Southwest and Southland oppose the en-

try of needy Europeans on the pretext that our country does not need laborers yet they vigorously support the entry of transitory Mexican workers by the hundreds of thousands.

How long will our legislators be blind to what our country needs? We must open our doors to those yearning to be free. We must open our doors wide to let democracy in. A door slightly ajar is not enough. We need a wide open door and an open immigration policy.

Mr. ROONEY. Mr. Speaker, I have just now learned that during my absence within the hour in the old Supreme Court Chamber here in the Capitol presiding at a conference with conferees of the other body on the bill H.R. 12580 making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for fiscal year 1963, the gentleman from Pennsylvania [Mr. WALTER], called up the bill S. 3361. I now learn that this bill which was passed by the other body earlier today has now been passed in the House with two amendments: one, accepted by the gentleman from Pennsylvania striking out section 4 and the other offered by the gentleman from Pennsylvania creating a new Assistant Secretary of State.

I am utterly appalled at all this since the gentleman from Pennsylvania has continually assured me since the month of June 1962, that if the distinguished senior Senator from Rhode Island [Mr. PASTORE] obtained passage of this bill in the other body that he, the gentleman from Pennsylvania and his committee would accept it. Instead of this bill, and I introduced a similar bill, H.R. 12369 on June 29, 1962, at the suggestion of the gentleman from Pennsylvania, being now on its way to the White House for signature, it has been amended contrary to the assurances given me many times since last June.

Mr. DANIELS. Mr. Speaker, because of my unceasing efforts and long and continuing interest in immigration and related problems, which are of utmost concern to the 14th Congressional District of New Jersey, and my constituency, I take the floor of the House of Representatives today in defense of S. 3361, which has only this morning obtained Senate approval. I have steadfastly worked to bring about this much needed amendment of our existing immigration law. The bill which is under consideration today is one in which I am vitally interested and wholeheartedly endorse.

This bill is designed to facilitate the entry into the United States of certain skilled aliens, whose services are urgently needed. Before anyone could be considered for entry under this provision of the bill, the Attorney General must have approved the petition after a fully and complete investigation of the alien skilled specialist involved and after the Immigration and Naturalization Service has ascertained that the American petitioner has fully documented the need for that person's services. It is estimated that approximately 16,000 aliens will be admitted under this provision, if enacted into law. In addition, it will facilitate the entry into the United States of

brothers and sisters, married sons and daughters and their respective families of American citizens.

Its primary purpose is to admit highly skilled and professional workers into this country to fill an urgent need for employment. They may only be granted admission after obtaining an employment clearance and assurance given that there is a shortage of such workers here in the United States and/or to fill employment in defense work vital to our national defense and economy.

In my congressional district, there are numerous families which will be reunited if this legislation is enacted into law. I sponsored a bill in the House during the present session, H.R. 12569, similar in content to the bill under consideration at this time.

I wish to associate myself with the gentleman from Pennsylvania, Congressman FRANCIS WALTER, who has been the leader in the fight for liberalization of our immigration laws, particularly with respect to the reunification of families. I wish to thank him personally for his leadership in the House, and the distinguished gentleman from Rhode Island, for his leadership in the Senate, and I beseech my colleagues to join with us to assure the passage of this legislation.

Mr. BURKE of Massachusetts. Mr. Speaker, I wish to associate myself with the distinguished gentleman from Pennsylvania [Mr. WALTER], in support of S. 3361. This bill is an amended version of the companion bill I filed dealing with the same subject matter, an act to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens, and other purposes, as amended. The services of these skilled aliens is urgently needed and will result in reaping untold benefits to our Nation. I understand that the bill as amended, would provide nonquota status for fourth preference quota immigrants registered on a consular waiting list under a priority date earlier than March 31, 1954. The fourth preference classification of quota immigrants includes brothers, sisters, married sons, or married daughters of U.S. citizens and their accompanying spouses and children. As amended, the cutoff date is moved back to March 31, 1954, and it is estimated that approximately 16,000 aliens will benefit under this amended provision. Section 2 of the bill would provide nonquota status for certain skilled specialists whose services have been determined by the Attorney General to be urgently needed. This would affect another few thousand aliens and allow for their lawful entry into the United States of America.

Section 4 of the bill, as amended would amend section 249 of the Immigration and Nationality Act, as amended—66 Stat. 219—to permit the creation of a record of lawful admission for permanent residence in cases of aliens who entered the United States prior to December 24, 1952. Under existing law such an adjustment may be made in cases of aliens who entered the United States of America prior to June 28, 1940.

This bill liberalizes the Immigration Act and will allow entry of approximately 25,000 persons and will aid in

bringing together and uniting families that have been separated as the result of our present laws. It will prove helpful to many who have relatives in Italy, Portugal, and Greece. I support the bill and I will continue to fight for the liberalization of our Immigration laws in order that justice will prevail.

I also wish to commend the distinguished gentleman from Pennsylvania [Mr. WALTERS], the Member from New Jersey, the Honorable DOMINICK V. DANIELS, and the senior Senator from Rhode Island [Mr. PASTORE] for their successful efforts in bringing about the enactment of this much needed legislation. Let us pray that this is the dawn of a new era for those who have waited so long to enter our shores.

Mr. LANE. Mr. Speaker, I wish to associate myself with the chairman of the Immigration Committee, Mr. Walter, in support of this most worthwhile legislation which I know merits the approval of the House. This bill is one that our chairman has worked on for a considerable period of time since he was aware of the present need of this legislation. S. 3361 is similar to a bill filed in the House that I cosponsored with others that will facilitate the entry into the United States of certain skilled aliens whose services are urgently needed and certain relatives of U.S. citizens. This bill will permit the creation of a record of lawful admission for permanent residence in the cases of certain aliens who entered the United States prior to December 24, 1952.

It would provide nonquota status for fourth preference quota immigrants registered on a consular waiting list prior to March 31, 1954. As you know, Mr. Speaker, this classification includes brothers, sisters, married sons, or married daughters of U.S. citizens and their accompanying spouses and children.

Another section of this bill provides nonquota status for certain first preference quota immigrants registered prior to March 31, 1954.

Immigrants created and developed our Nation. Their hunger for freedom has found a fulfillment here that has not as yet been equaled in any other part of the world.

Our people's regard for humanity, their faith in the worth of every individual, is nourished by the varied racial and cultural contributions that come to us in the person of immigrants who are welcomed to our open society.

By helping aliens to join the family circle of their close relatives in the United States, we shall strengthen our Nation with the love and gratitude of those who are reunited in freedom.

Mr. Speaker, this bill will bring much happiness to many of our people and I sincerely hope that the House will support this measure without any undue delay.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any alien who (1) is registered on a consular

Oct 3, 1962

13. WATERSHED PROJECTS. The Public Works Committee approved the following watershed projects: Brandywine Creek, Del.-Pa., Tobesofkee Creek, Ga. (supplement), Twin Caney Creek, Kans., Cottonwood Creek, Okla., Delaware Creek, Okla., Sandy Creek, Pa., Salada Creek, Tex., Valley Creek, Tex., and Boulder Lake, Wyo. p. 21529
14. BUILDINGS. The Public Works Committee approved several building projects, including alterations for the South Building of this Department. p. 21529
15. FARM LABOR; WOOL. Conferees were appointed on H. R. 12213, to provide for the suspension of duties on corkboard insulation and on cork stoppers which was amended in the Senate to provide for the free importation of Karakul wools for use in glass polishing and to authorize appropriations to provide day-care facilities for children of migratory agricultural workers. House conferees have not been appointed. p. 21561
16. TRADE FAIRS. Agreed to the conference report on S. 3389, to promote the foreign commerce of the U. S. through the use of mobile trade fairs. This bill will now be sent to the President. p. 21564
17. RECLAMATION. Sens. Kuchel and Engle urged enactment of legislation to authorize the Auburn-Folsom South Unit, Central Valley reclamation project, Calif. p. 21564

BILLS INTRODUCED

18. EDUCATION. S. 3799, by Sen. Mundt, to establish an interdepartmental committee to promote economy and efficiency in the conduct of education and cultural exchange programs; to Government Operations Committee. Remarks of author, pp. 21525-6

0

COMMITTEE HEARINGS OCT. 9:

Public works authorization bill, H. Rules.

o0o

UNITED STATES DEPARTMENT OF AGRICULTURE

Items Included in the Supplemental Appropriation Bill, 1963
as reported by the Senate Committee on Appropriations

Items	Budget Estimates a/	House Bill	Senate Committee Bill b/
Agricultural Research Service:			
Plant and animal disease and pest control	- -	\$250,000:	- -
Construction of facilities	- -	- -	\$895,000
Extension Service:			
Cooperative extension work, payments and expenses	- -	- -	12,300,000
Cooperative State Experiment Station Service:			
Payments and expenses	- -	- -	5,000,000
Agricultural Marketing Service:			
Marketing research and service ..	\$100,000:	- -	100,000
School lunch program	14,000,000:	- -	10,000,000
Farmers Home Administration:			
Rental housing loans revolving fund	10,000,000:	- -	10,000,000
Salaries and expenses	500,000:	- -	500,000
General Administration:			
Food and Agriculture Act, 1962 ..	3,200,000:	- -	1,250,000
Forest Service:			
Forest roads and trails (liquidation of contract authorization)	14,000,000:	- -	- -
Total	41,800,000:	250,000:	40,045,000

a/ These estimates were submitted to the Senate (S. Doc. 152) after House action on the Supplemental Appropriation Bill, 1963.

b/ Reported October 8, 1962.

No martial law having been declared, Oxford, Miss., and the university campus are still under civil authority. Thus, every resident of the community is entitled to exercise the basic American rights, freedom of speech, freedom of movement, the right to assemble and petition.

Item: An ex-general of the U.S. Army is arrested 1 mile from the scene of the trouble and charged with inciting to riot. Although presumed innocent until convicted by a jury, he is slapped under \$100,000 bond and spirited by plane many miles to prison in another State.

Law: Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted. Article 8, U.S. Constitution.

Item: Automobiles of private citizens are stopped and searched by troops placed throughout the community. One man reported being stopped and searched several times during a trip to the airport.

Law: The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrant shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the person or things to be seized. Article 4, U.S. Constitution.

Item: Citizens within a wide area surrounding Oxford have been halted, searched and their arms confiscated.

Law: * * * the right of the people to keep and bear arms shall not be infringed. Article 2, U.S. Constitution.

Item: Tear gas shells fired by U.S. troops and Federal marshals have driven the people of Oxford from their homes and their places of business.

Law: The right of persons to be secure in their * * * houses * * * shall not be infringed. Article 4, U.S. Constitution.

There are many other examples, particularly relating to the treatment of individuals apprehended by the troops and marshals. Many have been forced to stand against the wall, hands over heads; all have been herded into an outdoor compound, to be held there until the * * * [Federal Government] decides how to proceed against them.

This is in sharp contrast with the tender care which must be extended by State and local officers to the most hardened offenders. It is also in sharp contrast to the reserved, dignified treatment extended mobs in Albany, Ga., who were being egged on by troublemakers with direct telephone lines into the Department of Justice if not the White House itself. Yet, if the State of Georgia in trying to preserve law and order had resorted to any of the techniques now being applied to the citizens of Oxford, the Federal courts would throw the cases out faster than they could be presented.

All of this raises serious questions. Why is it any worse for a Ross Barnett to encourage the violation of a Federal law with which he disagrees than for the President of the United States, through public statements, and his brother, the Attorney General, through telephoned advice, to egg on mobs bent on violating State law in Georgia?

Why is it worse for the police in Statesville, to use night sticks in apprehending individuals inciting a mob to action against private citizens than it is for Federal authorities to use the ultimate in force in Mississippi?

And, more important still, who is going to protect the rights of the innocent, the private citizen who merely wants to go about his business, in Oxford or Albany?

The Federal Government has now demonstrated again that it will go to the limit enforcing rights based on color? How far will it go enforcing rights not based on color, such as the right to work of several thousand

Californians now being deprived of their jobs because they do not want to belong to a union?

Who, in the last analysis, will stand between the lowly citizen and tyranny, not at the State and local level, but at the top? No doubt the British were talking about law and order when an earlier generation of Bostonians was dumping tea.

Mr. HOLLAND. Mr. President, I read the first paragraph of the editorial, already printed in the RECORD, which is as follows:

The excesses to which the Federal Government is going today in the State of Mississippi paint an impressive picture of what lies at the end of the road down which we are traveling—big government and little men.

The vital question stated by the North Carolina editor is in the closing paragraphs of the editorial, and is as follows:

Who is going to protect the rights of the innocent, the private citizen who merely wants to go about his business * * *.

The Federal Government has now demonstrated again that it will go to the limit enforcing rights based on color? How far will it go enforcing rights not based on color such as the right to work of several thousand Californians now being deprived of their jobs because they do not want to belong to a union?

Who, in the last analysis, will stand between the lowly citizen and tyranny, not at the State and local level, but at the top.

Mr. President, as a southern Senator who is by no means an extremist in the field of civil rights and racial matters, I feel that it is timely for all Americans to consider whether, in the zeal for enforcement of civil rights in one field, our Government has so far forgotten its obligation to sustain the civil rights of American citizens in other fields as to overrun and to violate many such rights.

Mr. President, I have noted from the editorials of many other papers that other able editorialists than the one in Statesville, N.C., are concerned with this question. Without quoting from the several available from my own State and elsewhere, I noted with interest in the lead editorial of the Sunday Star published yesterday right here in the Nation's Capital, an able discussion of one of these issues under the title "General Walker Insane?" which I ask unanimous consent to have included in full as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GENERAL WALKER INSANE?

The Department of Justice insists it has adhered faithfully to the law in confining former Major General Walker to a mental institution. Maybe so. But if this is correct, the law affords no visible protection to an individual in General Walker's situation.

He was arrested last Monday on serious charges in connection with the riot at the University of Mississippi. Taken before a U.S. Commissioner, he was advised of his legal rights. General Walker waived his right to counsel and to a preliminary hearing. He was assured that he would be tried in Mississippi on the charges against him, and bail was set at \$100,000. With that, he was flown to a Federal prison hospital in Springfield, Mo., with every reason to believe that he would be eligible for release on bail when he got there.

General Walker didn't know that the Department of Justice on the following day would bring mental commitment proceedings against him in Mississippi which would result in his being denied release on bail in Missouri. In fact, it is not clear when the decision to seek commitment was made. But it must have been made not later than about noon on Tuesday. An hour earlier, according to Representative ALGER, of Texas, he was being assured by the Attorney General personally that General Walker's transfer to Springfield "had no connection with the fact that there is a mental hospital connected with that prison." He was also assured, Mr. ALGER told the House, that there would be no barrier to General Walker's release if he posted the bail fixed by the court.

Meanwhile, the wheels were turning swiftly in Washington. Someone decided that the general should be committed for mental observation at Springfield. The chief psychiatrist of the Federal Prison Bureau prepared an affidavit for submission to a Federal judge in Mississippi—not in Missouri, where General Walker was.

This affidavit is an interesting document. Its essential conclusion is that General Walker's recent behavior "may be indicative of an underlying mental disturbance." The basis for his conclusion, the psychiatrist said, was a reading of newspaper stories, unspecified "indications" in an unidentified "medical history," and "other information" of an undisclosed nature "available to me."

Armed with this flimsy weapon, the U.S. Attorney in Mississippi, doubtless on instructions from Washington, appeared before Federal Judge Claude Clayton, sitting in Oxford. The attorney told the judge that on the basis of the information from the psychiatrist, he had "reasonable cause" to believe that General Walker may be presently insane or so mentally incompetent as to be unable to understand the nature of the proceedings against him or to properly assist in his own defense. With this, the judge signed the commitment papers, and the U.S. Attorney in Springfield thereupon said that General Walker would be held for from 60 to 90 days for mental examination and that he could not be released on bail.

It is important to note, we think, that the sole question is whether the general, who certainly has offered no defense of insanity, is able to understand the nature of the proceedings against him and to assist in his own defense. Without in any way condoning his behavior, we have seen nothing which indicates that he lacks this degree of mental capacity. And we do not think that this inference is overcome by an undocumented conclusion that he "may be" suffering from "an underlying mental disturbance"—whatever that means.

This is a question, however, which must be decided in the courts. And, thanks to the availability of the writ of habeas corpus, the Department of Justice must show cause in Springfield on Tuesday why General Walker should not be released on bond. Beyond that the Department has been ordered by a Springfield Federal court to certify the "true cause" of General Walker's detention. The full story of the Walker case should be developed in the course of these proceedings.

Meanwhile, there is ample reason, we think, to be concerned over a procedure under which an accused man can reasonably believe on one day that he will be released on bail, only to discover 24 hours later that he has been committed to a mental institution, without right of bail, on the statement of a psychiatrist who had never examined him and by a judge who had never seen him.

Mr. HOLLAND. The Star editorialist makes it very clear that he in no way condones the behavior of General Walk-

er, but he closes with this interesting, compelling paragraph:

Meanwhile, there is ample reason, we think, to be concerned over a procedure under which an accused man can reasonably believe on one day that he will be released on bail, only to discover 24 hours later that he has been committed to a mental institution, without right of bail, on the statement of a psychiatrist who had never examined him and by a judge who had never seen him.

RICHARD C. COLLINS

Mr. MANSFIELD. Mr. President, I move the Senate proceed to the consideration of Calendar No. 2228, H.R. 3131.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3131) for the relief of Richard C. Collins.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there is no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954—MEDICAL AND OTHER BENEFITS FOR RETIRED EMPLOYEES

The Senate resumed the consideration of the bill (H.R. 10117) to amend section 401 of the Internal Revenue Code of 1954, to provide that plans which provide certain medical and other benefits for retired employees and their families may be qualified pension plans.

AUBURN-FOLSOM SOUTH UNIT, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. KUCHEL. Mr. President, on the 7th of August 1962, the Committee on Interior and Insular Affairs favorably reported the bill S. 103, which my distinguished colleague from California [Mr. ENGLE] and I jointly authored.

In these closing days or hours of the session, with not very many Senators present, some of whom would oppose the proposed reclamation project for the State of California—parenthetically I observe that the distinguished Senator from Wisconsin [Mr. PROXMIRE] is presiding—I am not unmindful of the difficulties in having a debate on the measure this year.

My California colleague [Mr. ENGLE] would join me completely in what I have said. Let the record show that I have tried to find him. He is busily engaged in a conference meeting at the moment.

I should like to ask the majority leader, for the record, assuming the Senate Committee on Interior and Insular Affairs repeats next year its action of this year and reports to the Senate a bill similar to S. 103, which would authorize the Secretary of the Interior to construct, operate, and maintain the Auburn-Folsom south unit on the Ameri-

can River as part of the Central Valley project in California under Federal reclamation law, could the distinguished majority leader indicate whether or not he would look with favor upon having an early debate in the 1963 session on our most important California reclamation project?

Mr. MANSFIELD. Mr. President, I should like to say to the acting minority leader that I not only would look upon the project with favor, but with approval. I shall do my very best to bring the measure to the floor of the Senate as quickly as possible in the next session. Of course, the bill would have to be reported from the Senate Committee on Interior and Insular Affairs, of which the Senator from California is one of the outstanding members. I am sure that the measure could be handled in the committee. If he will do his part there, as I know he will, I shall do my part in the Policy Committee and on the floor of the Senate to be of assistance.

Mr. KUCHEL. I thank my friend. As I said a moment ago, my colleague had been detained in a conference committee. I see him now in the Chamber. As I said earlier, and repeat now, we both hope that an expeditious hearing can be given in the next session of Congress to the project, assuming, of course, that the Senate Committee on Interior and Insular Affairs repeats its action approving the measure at the next session.

Mr. ENGLE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ENGLE. I agree with the sentiment expressed in relation to the measure. I am an author of the Auburn-Folsom proposed legislation. It is a bill that involves a substantial amount of money.

Although I would like to have the precedent of Senate action on the proposed legislation at this session, I am aware that the House has not even held hearings, and the possibilities of action in the House at this time are remote to the point of being invisible. Rather than bring the measure up now, it seems to me that the more prudent course would be to let it go over, with the understanding that if we obtain favorable action again by the Senate Committee on Interior and Insular Affairs, as I think we shall, our distinguished majority leader will help us to bring it before the Senate for debate at an early time so that the House will have sufficient time to act upon the measure at the next session of Congress. I thank my distinguished leader for yielding to me.

Mr. MANSFIELD. The California Senators have my utmost assurance.

Mr. KUCHEL. I thank my friend.

Mr. ENGLE. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

MOBILE TRADE FAIRS—CONFERENCE REPORT

Mr. ENGLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House

to the bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of October 5, 1962, p. 21416, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ENGLE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief explanation of the conference report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

There can no longer be any doubt but that the United States has failed in recent years to take full advantage of the foreign trade opportunities which are available around the globe. The present administration has pledged itself to stem the flow of gold from our shores, and has placed maximum emphasis on increasing our exports to achieve this aim.

In this committee's study of foreign trade, we heard a great deal of support for an export expansion program from the business community. One of the methods proposed and discussed concerned the use of mobile trade fairs.

I introduced this bill because I felt it would provide an important media for exhibiting our products, with the initiative being taken by private enterprise and not by the Government.

The response received from business firms all over the United States has been gratifying. Their endorsement of a mobile trade fair program is obviously essential for its success.

I urge the approval of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, that it adjourn to meet at 12 o'clock noon tomorrow.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Is there objection? The Chair hears none, and it is so ordered.

THIS YEAR'S FARM BILL PUTS OUR FEET TO FIRE ON MANDATORY CONTROLS NEXT YEAR

Mr. PROXMIRE. Mr. President, during consideration of the farm bill this year, and especially during consideration of the conference report, some of us argued that if the farm bill were passed, next year those of us who are very concerned about mandatory controls on feed grains would find our "feet to the fire" and would find it extremely difficult to



Public Law 87-839
87th Congress, S. 3389
October 18, 1962

An Act

76 STAT. 1074.

To amend the Merchant Marine Act, 1936, to develop American flag carriers and promote the foreign commerce of the United States through the use of mobile trade fairs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.), is amended by adding immediately after section 212(A) thereof (46 U.S.C. 1122a) the following new section:

“SEC. 212. (B) (a) The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs which are designed to show and sell the products of United States business and agriculture at foreign ports and at other commercial centers throughout the world where the operator or operators of the mobile trade fairs exclusively use United States flag vessels and aircraft in the transportation of their exhibits.

“(b) The Secretary of Commerce is authorized to provide to the operator or operators of such mobile trade fairs technical assistance and support as well as financial assistance for the purpose of defraying certain expenses incurred abroad, when the Secretary determines that such operations provide an economical and effective means of promoting export sales.

“(c) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section.

“(d) The Secretary of Commerce shall submit annually to the Congress a report on his activities under this Act.”

SEC. 2. Section 104(m) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting immediately before “, and (B)” the following: “or section 212(B) of the Merchant Marine Act, 1936”.

Approved October 18, 1962.

Mobile trade fairs.

49 Stat. 1985.

46 USC 1111.

70 Stat. 332.

Appropriation.

Foreign currencies.

Report to Congress.

72 Stat. 1790.

7 USC 1704.

